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6 March 1985

## West Europe Report

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6 March 1985

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POLITICAL

BELGIUM

POLL ON POPULARITY OF PARTIES, POLITICIANS

Brussels LA LIBRE BELGIQUE in French 26 Dec 84 p 2

[Article: "Barometer of Public Opinion": this exclusive poll was commissioned by LA LIBRE BELGIQUE and taken between 10 and 14 December 1984 by Marketing Unit, a company specializing in marketing studies and public opinion polls. The sample consisted of 2,077 Belgians over age 21 chosen according to quotas of age, sex and social class. The sample included 649 respondents in Wallonia, 928 in Flanders and 500 in Brussels-Hal Vilvorde. The results were weighted according to the relative size of the regions. Affiliations: ESOMAR [European Society for Opinion Surveys and Market Research]-FEBELMAR [Federation of Belgian Marketing Researchers]]

[Text] Voting intentions: "If legislative elections were held next Sunday, which party would you vote for?"

Refusals to Answer

Even though the number of undecided is large, a little more than one Belgian in four, it is still smaller than in September, when it reached one in three voters. The political excitement that has appeared in recent weeks has probably stimulated the people questioned to take a position.

Residents of Brussels remain the most undecided (31 percent), but they numbered 39 percent in the fall.

	<u>fall</u> <u>winter</u>				
<u>responses</u>	<u>Belgium</u>		<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
answering	66	73	73	71	69
not answering	34	27	27	29	31

Wallonia: the PSC [Christian Social Party] Declines

<u>parties</u>				1981	1984
	<u>winter</u>	<u>fall</u>	<u>difference</u>	<u>legislative</u>	<u>European</u>
PS [Socialist Party]	37.0	37.0	=	36.2	38.5
PRL [Liberal Reform Party (Walloon)]	23.2	23.0	+0.2	21.7	21.3
PSC [Social Christian Party]	16.2	17.0	-0.8	19.6	21.4
Ecology	10.4	10.4	=	5.9	9.4
PC [Communist Party]	3.0	3.8	-0.8	4.2	3.0
Others (& Walloons)	10.2	8.8	+1.4	12.4	3.7

There has been movement in different directions in Wallonia. The two main opposition groups are not budging and are not benefiting from disputes within the majority: the PS, which is clearly number one, has levelled out at 37 percent (0.8 percent more than in the 1981 elections but 1.5 percent less than in last June's European elections). The Ecolos (10.4 percent) are holding just above the 10 percent psychological base and have doubled their score since 1981.

Within the majority, the PSC is continuing its slide (-0.8), while the PRL has shown a slight increase (+0.2). An electoral gap thus exists between the two French-language groups in the majority, which are having divergent electoral success. The PRL is emerging as the number two Walloon party (because it lost in the European elections); the PSC is now 7 points ahead. The Walloon Social Christians are 3.4 points behind after the legislative elections and 5.2 points behind the European elections held 6 months ago. If elections confirm our poll, the PSC will score the lowest in its history.

Ten percent of the poll is spread over parties that do not make the 2 percent minimum required to be identified. This is the case with various Walloon parties (RW [Walloon Rally], RPW [expansion unknown]), which confirms a fact first noted in our poll last fall: that they have disappeared from the political scene. The same is true of the UDRT [Democratic Union for the Respect of Work] and various extreme leftist parties. The recent decline in the Communist Party should also be noted.

The ill health of the Social-Christian majority is obviously affecting its strength; it represents only 39.4 percent of the Walloon electorate, while the presidential progressive majority (PS + Ecologists + Communists) has 50.4 percent.

Brussels: Shift from the FDF [Democratic Front of Brussels French Speakers] to the UDRT

	1981			1984	
<u>party</u>	<u>winter</u>	<u>fall</u>	<u>difference</u>	<u>legislative</u>	<u>European</u>
PRL	19.3	19.3	-	12.2	20.8
CVP [Social Christian Party (Flemish)]	11.4	11.9	-0.5	12.5	13.2
PS	11.2	10.5	+0.7	9.5	13.2
FDF	7.1	9.2	-2.1	17.4	12.4
Agalev/Ecology	10.1	9.1	+1.0	3.6	9.0
SP [(Flemish Socialist Party]	8.3	8.2	+0.1	6.4	9.2
VU [People's Union]	8.0	8.0	-	7.8	7.4
PVV [Freedom and Progress Party]	7.1	7.2	-0.1	9.7	6.6
PSC	5.8	6.9	-1.1	7.2	7.0
UDRT/Rad.	4.8	2.7	+2.1	7.0	-
Others	6.9	7.0	-6.7	4.5	

The capital has been confirming trends. The PRL (status quo) has again become the foremost party in the central region by several lengths. The French-speaking and Flemish Ecologists are continuing to make progress and have passed the 10 percent limit (more than double their 1981 score). The Socialist Party is digging in and is becoming the second largest party in the capital (passing the CVP) after a steady march upward. The FDF continues to languish, losing another 2.1 percent (a new record). This makes the formerly largest party in Brussels a minority group (in 7th place with only 7.1 percent) at the same rank as the PVV.

There have also been some surprises. The UDRT has gotten some of the hair of the dog that bit it (perhaps through its election-poster campaign and by winning back some of the FDF's "Poujadist" voters). The PSC, which had sunk out of sight, has again lost ground (-1.1 percent) and now has less than 6 percent, making it the second smallest party in the capital. The CVP has recently had some setbacks, while the SP continues to hold its lead over the People's Union.

The Social-Christians' malaise continues to affect the score of the majority 43.6 percent (as opposed to 41.6 percent in 1981 and 45.6 percent in summer).

Flanders: the CVP and the PVV are Hurting

	1981			1984	
<u>party</u>	<u>fall</u>	<u>winter</u>	<u>difference</u>	<u>legislative</u>	<u>European</u>
CVP	26.9	28.9	-2.0	32.0	32.6
SP	24.5	23.6	+0.9	20.6	28.3
PVV	19.8	20.9	-1.1	21.1	14.1
VU	16.3	16.2	+0.1	16.0	13.8
AGALEV [(Flemish) Ecology Party]	7.4	5.5	+1.9	4.0	7.1
Others	5.1	4.2	+0.2	6.3	4.1



The two majority parties are still losing ground. The CVP is at its lowest point since it was founded; it has fallen clearly below the 30 percent limit and well below its poor results in the 1980 legislative elections (it is still 5 percent behind that point). It lost 2 percent in 3 months, which is its stiffest loss since the elections. Is the decline irreversible?

The Flemish liberals have been moving up and down: this winter they lost what they had regained in the September poll; they are now back where they were last summer, but they have not gone down as far as they did in their very bad returns in the European elections.

On the other hand, the SP is again making progress. It is showing a steady climb, and the Flemish Socialists are now only 2.4 percentage points away from the CVP (3 years ago they were 12 points behind). The Flemish Ecologists of AGALEV are recovering from the losses they suffered in the fall and are back up to their European level. The People's Union is holding steady at its 1981 level.

In Flanders, the national majority is losing the only majority it had left. It now has only 46.7 percent of the vote as opposed to 53.1 percent in the 1981 elections and 49.8 percent in our last poll.

"Would you say you have a good or bad opinion of each of the following political parties?"

party	fall / winter											
	Belgium				Flanders		Wallonia		Brussels			
	+	-	+	-	+	-	+	-	+	-	+	-
PS	22	46	22	48	9	64	40	23	28	50		
PSC	16	44	15	43	13	50	19	33	15	47		
PRL	20	52	20	53	11	66	27	36	43	43		
FDF	7	52	6	52	2	68	6	27	23	47		
SP	26	38	26	38	41	33	5	42	19	51		
CVP	20	43	19	43	30	32	6	55	6	59		
PVV	16	50	15	53	22	47	6	49	10	60		
VU	18	48	18	48	33	33	1	65	1	69		
Ecolos/ Agalev	28	36	30	36	29	41	29	27	34	39		

There has been little change in the parties' image in public opinion. The Ecologists are the most highly regarded, ahead of the Socialists. The least highly regarded are the FDF and the liberals. It appears increasingly difficult for the parties to cross the language barrier.

#### Politicians' Popularity

"For each of the following people, would you please tell me whether you would like to have him exert political influence in the coming months?"



Forty names were proposed [see following charts]. Missing from the list of fall 1984 were: Philippe Busquin, Rika DeBakker, Roger Dewulf, Anne-Marie Lizin, Lucien Outers, and Paul Vanden Boeynants. The following names were added: Georgesd Clerfayt, Alain Van der Biest, Eric Van Rompuy, Freddy Willockx.

It should be mentioned that all the names on the list were read out in alphabetical order to the people questioned. The respondents had to answer "yes" or "no" according to whether they wanted the person mentioned to hold important responsibilities in the months to come.

It can be seen that 43 percent of Belgians want Wilfried Martens to continue to shape policy in the coming months.

Nationally: Wilfried Martens Recovers

<u>the top 20</u>	<u>summer '84</u>	<u>fall '84</u>	<u>winter '84</u>	<u>difference</u>
Wilfried Martens	48	41	43	+2
Karel Van Miert	36	37	38	+1
Leo Tindemans	41	39	37	-2
Marc Eyskens	31	31	32	+1
Willy De Clerq	31	29	31	+2
Willy Claes	29	26	31	+5
Jean Gol	23	22	23	+1
Kerman De Croo	20	21	23	+2
Guy Spitaels	20	19	21	+2
Gaston Geens	20	18	21	+3
Eric Van Rompuy	--	--	21	--
Marc Galle	20	21	20	-1
Hugo Schiltz	20	21	20	-1
Vic Anciaux	20	21	20	-1
Cha's-Ferd. Nothomb	19	18	19	+1
Philippe Maystadt	18	17	18	+1
Louis Tobback	--	16	17	+1
Jose Happart	19	20	17	-3
Jean-Luc Dehaene	--	--	17	--
Etienne Davignon	--	13	16	+3

The real "event" in our fall poll was Wilfried Martens' plummeting down the popularity scale. He lost no less than 7 points from the spring poll. At present, the prime minister has recovered slightly (2 percent), and the rise has stabilized. Obviously, however, Mr Martens has not given the impression in the last 3 months that he has things under control. Public opinion seems tired. It is hard to govern without special powers!

Before Mr De Clerq leaves Belgian politics, he will have the satisfaction of knowing that his halo is untarnished.

As for Mr Willy Claes, (Flemish Socialist), he may note that his active return to the political stage is paying off. He has moved up 5 points over our last poll and is, with Mr Martens, the only politician to appear in all three columns: Flanders, Wallonia and Brussels. He thus seems to be cut out to be a prime minister. Mr Van Miert has real standing only in Flemish territory.

Mr Gol is the leading French-speaking figure at the national level. He has even gained a point.

It may be noted that none of the majority party presidents appears among the 20 "big" of Belgian politics. Mr Martens is thus correct in saying that the true party leaders are in the government.

Wallonia: Spitaels Up, Happart Down

<u>the top 15</u>	<u>summer '84</u>	<u>fall '84</u>	<u>winter '84</u>	<u>difference</u>
Spitaels	37	40	43	+3
Happart	41	47	42	-5
Gol	36	36	37	+1
Maystadt	34	33	32	-1
Jean-Maurice Dehousse	25	28	28	=
Martens	33	29	28	-1
Nothomb	25	25	27	+2
Gerard Deprez	29	28	26	-2
Melchior Wathelet	23	23	24	+1
Davignon	--	22	24	+2
Louis Michel	22	23	23	=
Claes	22	20	22	+2
Ernest Glinne	--	21	22	+1
Philippe Moureaux	21	21	22	+1
Antoinette Spaak	22	22	21	-1

The most spectacular element in our ranking of politicians in Wallonia is the noticeable drop in the popularity of Jose Happart. He no longer benefits from an "effect" due to the nearness of the European elections. His officially joining the PS may well have cost him some friends (although fewer than expected). Even so, his score is still high and is even a point higher than last summer.

Politically speaking, the "irresistible" rise of Guy Spitaels since the beginning of the year is probably the most important thing to appear from our Walloon poll. Guy Spitaels was at 31 percent in the spring, 37 in the summer, and 40 in the fall; he is now probably up around 43 percent. This is very likely an indication of a positive "trend" for the Walloon Socialists.

Mr Gol, who has been in the spotlight recently and is still climbing slightly in popularity, is only six lengths behind the PS president.

Mr Martens is no longer highly favored in Wallonia; he has slipped a point from last fall. He has lost 7 points since last spring, while Mr Spitaels has bagged 12 points.

Mr Maystadt is holding steady, while Mr Nothomb has succeeded in passing Gerard Deprez. The latter is sandwiched in between the vice-prime minister and Messrs Wathelet and Davignon, who are both coming up.

## Flanders: Claes Makes Great Progress

<u>the top 15</u>	<u>summer '84</u>	<u>fall '84</u>	<u>winter '84</u>	<u>difference</u>
Karel Van Miert	58	59	59	=
Martens	59	50	52	+2
Tindemans	57	54	52	-2
Marc Eyskens	49	49	48	-1
De Clerq	37	34	38	+4
Claes	35	33	38	+5
Geens	33	31	36	+5
E. Van Rompuy	--	--	35	--
Schiltz	36	37	34	-3
Galle	37	37	33	-4
Anciaux	36	37	33	-4
De Croo	26	39	32	+3
Tobback	23	29	30	+1
Dehaene	--	26	28	+2
Luc Van Den Brande	--	--	26	--

In Flanders, Mr Van Miert is holding steady. However, it may be noted that the recent excitement about missiles has not brought him any further popularity.

Mr Martens has come up 2 percent in the popularity index and is now equal with Mr Tindemans. He had lost second place last fall.

Mr Eyskens is holding his own, and Mr De Clerq will note with pleasure that his ratings still remain excellent at the time he is leaving national politics for Europe.

Mr Willy Claes has jumped up five points. The SP Congress, where he made a notable speech on economic and social policy, has put the "little red man" back on the track.

In the CVP, two men have made a remarkable breakthrough: the ever-effervescent Eric Van Rompuy and the new head of the Chamber firebrands, Luc Van den Brande. If these results are paired with those of Gaston Geens, the Flemish "prime minister," who is also coming up, it can be seen that CVP politicians with a sharply Flemish profile are gaining ground. At the same time, Messrs Schiltz and Anciaux, of the People's Union, are losing steam. This is interesting to observe in the prospect of negotiation over the government and a new national election.

## Brussels: Gol is Holding Steady

<u>the top 15</u>	<u>summer</u>	<u>fall</u>	<u>winter</u>	<u>difference</u>
Gol	43	46	46	=
Martens	40	36	40	+4
Roger Nols	35	32	31	-1
De Clerq	31	30	31	+1
Spitaels	28	30	31	+1

<u>the top 15</u>	<u>summer</u>	<u>fall</u>	<u>winter</u>	<u>difference</u>
De Croo	21	24	28	+4
Maystadt	25	25	26	+1
Tindemans	25	25	26	+1
Eyskens	24	24	24	=
Claes	--	--	23	--
Happart	26	28	23	-5
Philippe Moureaux	20	24	21	-3
Nothomb	20	20	20	=
Van Miert	--	--	20	--

In Brussels, Mr Gol is holding his positions. He is best viewed in the capital. It seems increasingly likely that the liberal leader will head the ticket in Brussels.

Mr Martens is reversing his downtrend and has regained his summer score in Brussels, which is decidedly the most pro-government region.

Roger Nols is in third place, but he seems to be tapering off. As for Mr Happart, he has lost five points and seems to be showing that the "community" is no longer Brussels' number one concern. Another sign: for the first time, Mrs Spaak, of the FDF (who is still on the Walloon rankings) is no longer among the top 15 in Brussels. The new party president, Mr Georges Clerfayt, has not taken her place.

The Flemish Socialists have made a big breakthrough since last fall. Messrs Claes and Van Miert both appear on the "top 15" chart. The problem of missiles has something to do with it. Mr Spitaels has gained six points since last spring and Mr De Croo, seven. That despite the common-carrier issue.

Mr Davignon has shown himself to be a "locomotive," because he has gained three points in the capital; he is almost equal with Mr Nols and far ahead of Messrs Nothomb, Happart, and Philippe Moureaux (the two Socialist leaders are slipping despite their party's support). This is a remarkable event for someone who has never distinguished himself in the national political arena. Some people may still be thinking of having him head the Social-Christian ticket in Brussels, although that seems to be practically out of the question.

#### Belgians' Concerns

##### Government: Confidence

"Do you or do you not have confidence in the Martens government to solve the problems presently facing Belgium?"

<u>confidence level</u>	<u>Belgium</u>	<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
complete	11	14	7	9
somewhat	25	22	27	32
somewhat lacking	15	18	10	13
none at all	22	16	33	18
no opinion	27	30	23	28

A comparison with past polls yields the following results:

<u>confidence level</u>	<u>winter</u> <u>'84</u>	<u>fall</u> <u>'84</u>	<u>summer</u> <u>'84</u>	<u>spring</u> <u>'84</u>	<u>spring</u> <u>'83</u>	<u>spring</u> <u>'82</u>
confidence	36	31	33	40	37	33
no confidence	37	39	40	38	36	48

It's curious. While the majority is clearly losing out among those stating their voting intentions, the government has regained the confidence of the people after losing it last summer. It has even regained its favorable standing of spring 1983, some 18 months ago. Public opinion will thus not judge alike those who work within the government and those who work within the party structures. Is it a separation of the executive branch from the party powers? It is, as long as ministerial chiefs fare better than party presidents on our popularity barometer.

#### Taxation and Insecurity

"What actions do you think the government should designate as current priorities?"

<u>action</u>	<u>fall / winter</u> <u>Belgium</u>		<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
reduce unemployment	82	84	84	89	72
reduce taxes	48	57	61	52	54
reduce inflation	53	54	58	50	52
reduce violence and insecurity	29	36	31	44	30
settle the language community problem once and for all	28	30	25	36	34
promote social peace	28	27	24	32	27
improve education	28	27	24	32	27
solve the immigrant worker problem	26	26	23	30	32

Unemployment remains the dominant worry. But it appears that two other issues are also becoming priority items: tax relief (in second place, up nine points) and reducing insecurity (in fourth place, up seven points). Will the government consider these when it comes to making up its list of "things to do?"

#### Unemployment and Buying Power: Less Than One Belgian in Ten

"Is the government taking effective action or not in reducing employment?"

<u>opinion</u>	<u>fall / winter</u> <u>Belgium</u>		<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
very effective	1	1	1	1	1
somewhat effective	8	8	8	8	8
somewhat ineffective	28	28	32	22	30
quite ineffective	43	45	37	58	43
no opinion	20	18	22	11	17

"Is the government taking effective action or not against the decrease in buying power?"

<u>opinion</u>	fall / winter		<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
	<u>Belgium</u>				
very effective	1	0	0	0	0
somewhat effective	5	6	5	5	7
somewhat ineffective	30	31	32	30	33
quite ineffective	38	38	32	47	42
no opinion	26	25	31	18	18

No change. For both unemployment and buying power (the two issues for priority action that Belgians expect from the government), the government is given a positive rating by fewer than 1 Belgian in 10. Harsh indeed is the dissatisfaction shown by more than two-thirds of the population (73 and 69 percent).

The Community: Ineffective for Six Belgians in Ten

"Is the government's present action effective or not concerning community relations?"

<u>opinion</u>	fall / winter		<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
	<u>Belgium</u>				
very effective	1	1	1	1	2
somewhat effective	7	6	7	7	4
somewhat ineffective	23	26	25	25	26
quite ineffective	34	35	25	45	46
no opinion	35	32	42	22	22

The situation is not improving. On the contrary, negative comments are getting worse. Expressions of discontent now stand at 61 percent as opposed to 57 percent in the fall. As always, and it is a curious thing, 4 Flemings in 10 have no opinion on the matter.

Internationally: Progress

"Is the government's action effective or not in international relations?"

<u>opinion</u>	fall / winter		<u>Flanders</u>	<u>Wallonia</u>	<u>Brussels</u>
	<u>Belgium</u>				
very effective	4	7	7	6	5
somewhat effective	16	18	22	10	24
somewhat ineffective	20	18	18	19	20
quite ineffective	22	22	18	30	17
no opinion	38	35	35	35	34

Surprise. The number of "no opinion" responses is decreasing. Belgians are taking greater interest in international politics, and they are even beginning to look favorably upon the government's action, even though negative reactions still predominate concerning both European policy and international relations.

8782

CSO: 3619/35



POLITICAL

FINLAND

# SKDL'S DIFFICULTY IN FINDING CHAIRMAN REVEALS 'IDENTITY CRISIS'

Helsinki HUFVUDSTADSBLADET in Swedish 28 Jan 85 p 2

[Editorial by Bjorn Mansson]

[Text] The identity crisis within SKDL (Finnish People's Democratic League) that is reflected in the difficult choice of a chairman is deeply political in nature, Bjorn Mansson writes in this editorial, which discusses the future role of the league.

The Finnish People's Democratic League is having obvious difficulties coming up with a suitable and sufficiently authoritative successor to outgoing chairman Kalevi Kivisto. SKDL's Swedish-language publication NY TID admitted last week that, "There is a shortage of prospective candidates," but claimed in the same breath that there were "many good names that had declined the offer." NY TID admits, however, that there is hardly a "new Kivisto" who, according to the publication's definition, would be an "experienced politician of national stature."

Several months still remain before the national congress in May, but it is certainly unusual for a party to have so few willing candidates for its top position. This dilemma has already become the butt of jokes. Thus, in an article last week, one of the editors of UUSI SUOMI wrote in his column that SKDL should advertise the vacant position of chairman with the following "ad":

"The chairmanship of SKDL is now vacant. Applications are solicited from persons who are well-known and respected among large sectors of the people. speaking engagements will be numerous, but there will be no salary to speak of. The well-organized trips to the Eastern countries have been temporarily discontinued, but the ability of the applicant to resume such trips would be considered a plus. A long career in the labor movement and/or a high academic degree is desirable. FKP (Finnish Communist Party) membership, on the other hand, is undesirable. A willingness to leave decision-making to FKP is a prerequisite."

If we ignore the light-hearted and insinuating overtones of the text, we can see how thankless the chairmanship of SKDL actually is. It is understandable that the applicants are not exactly standing in line. At the same time,

however, this is fatal to the popular democratic movement.

The search for suitable candidates seems to be so desperate even now that a working group has been appointed for this "headhunting" task. Without mentioning any names, NY TID sees three alternatives: a chairman for a transitional period of 3 years, a "young person, preferably a woman" who would "symbolize the new direction that must be taken by SKDL," or (as the worst alternative) a party regular produced at the last moment.

It is clear that circles close to NY TID would prefer the second alternative. The only question is, how realistic is this?

By tradition, the SKDL boss should be a non-Communist, but the Socialist wing seems to be on the verge of giving up the hope of finding anyone. The ideal person according to many Socialists, Ilkka-Christian Bjorklund, is not available and member of parliament Vappu Sailyoja, who was nominated by the Socialist wing, has also turned down the job.

As a result, more attention is now being given to the much more numerous FKP members. It seems obvious, however, that no definitive proposal will be made before the extraordinary FKP congress in March.

The selection of a Communist would be a bitter pill to swallow for the Socialists and for those who stress the independence of SKDL from the FKP. The identity crisis that is reflected in this difficult choice of a chairman is deeply political in nature. In fact, the very existence of SKDL may be on the line.

On a TV program last Friday evening, member of parliament Terho Pursiainen stated openly that SKDL was in danger and warned that the league could become a "club where Communists and Socialists meet."

A Communist Party under the leadership of Arvo Aalto would leave very little room for SKDL and its Socialists, between FKP and the Social Democrats. Thus, the possible demise of SKDL has been hinted at by both Pursiainen and former FKP boss Aarne Saarinen, who envisions a unified Marxist party on the left--preferably of a larger model--that would include the Social Democrats and the party he expects to be formed by the minority faction of FKP.

Thus, his model is based on an FKP split which, after the Central Committee meeting last weekend, seems to be one step closer. If there should be a formal split in FKP and a totally new alignment on the far left, then the SKDL question will be of particular interest. Although some have indicated that SKDL could become an umbrella organization that could even include two different Communist Parties, this seems highly unlikely.

At their meeting in early January, the minority Communists drew up their own plan for the future role of SKDL. Their model is based on a formally unified FKP. They would "downgrade" SKDL to a so-called democratic coordinating association with an emphasis on peace work. The league would also serve as

a forum for cooperation with various new social movements, including the environmental and women's movements and the Greens.

Typical of the current situation is the fact that not just the minority Communists, but also sectors of the majority wing oppose too much independence for SKDL. To be sure, the minority advocates the continued existence of SKDL, but it stresses the so-called leading role of FKP and insists that SKDL must not "compete" with FKP. The majority intends to create an FKP profile that is so close to the SKDL line that there will be little room for a separate popular democratic profile, as mentioned above.

Thus, it seems that there is a limited number of people who are actively working for an independent SKDL. The question is how much influence the non-Communist SKDL members will actually have in the end.

The original purpose of SKDL was to build a broad popular front around the Communist Party. SKDL soon drifted into the background, until the seventies. The choice of Dr Ele Alenius as chairman in 1968, the year of the student revolt, was a clever move. The goal was to attract young intellectuals. These young intellectuals were recruited, but they were soon swallowed up by the Taistoites effective organization within an organization.

Kalevi Kivisto was also a good choice. The SKDL profile was strengthened under his leadership, particularly through participation in the government. But Kivisto's chairmanship was brief--only 5 years--and the league left the government in the middle of this term.

The question is whether or not SKDL will ever have another chairman of the caliber of Alenius and Kivisto before SKDL's role in Finnish politics is over. NY TID has indicated that the period of grace will last only 3 years.

9336

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POLITICAL

FINLAND

BRIEFS

KOIVISTO'S POPULARITY MEASURED--President Mauno Koivisto's popularity has dropped slightly compared to the first 2 years of his term, according to an opinion poll taken by Taloustutkimus Oy. The survey was presented last Sunday in the newspaper UUSI SUOMI. The president's popularity was graded according to the system used in schools. According to this latest survey, his average grade is now 8.21. Those who voted for Koivisto in the presidential elections still give him higher marks than other groups. In addition, women seem to be more favorable toward Koivisto than men. The poll was taken in mid-January and included a sampling of 300 qualified voters throughout the country. The newspaper has commissioned similar surveys each year at the same time. In his first year as president, Koivisto was given an average grade of 8.37. The figure was 8.39 in his second year. In the latest survey, he received his lowest marks for his appointments and his policy on unemployment. [Text] [Helsinki HUFVUDSTADSBLADET in Swedish 28 Jan 85 p 1] 9336

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POLITICAL

FRANCE

PCF POLITBURO MEMBER PIQUET DISCUSSES PARTY PROBLEMS

Paris REVOLUTION in French 14 Dec 84 pp 13-21

[Interview with Rene Piquet, a member of the PCF Politburo, by Desire Calderon and Gilbert Wasserman; time and location of interview not specified]

[Text] How did it come to this? What exactly is this delay the communists are talking about? Rene Piquet, a PCF Politburo member, answered some of the questions that are central to the communists' debate as they prepare for their 25th congress.

[Question] Two words keep coming up insistently in the way the PCF for the past several years has explained what is new in its approach and the problems it has encountered in getting it started. The words are strategy and delay.

Let's begin with delay. Delay in relation to what, delay how, why delay?

Rene Piquet: It seems to me important to link strategy and delay, because as you say, it is necessary to be precise. Delay in relation to what? Delay on what? And how?

Our delay is not that of an individual who is going to miss his train and take the next one in order to arrive at his destination. For us, it is not a simple matter of a time factor. For us, in the idea of delaying the analysis of reality there is, all at the same time, the means of transformation and the prospects for developing the society.

Schematically, our delay was the transition period of the 1950s and 1960s, our problem was discovering the nature of the questions arising from the society's development at the national level as well as in the international context. And, even more, it was our inability to furnish appropriate answers so as to contribute to its revolutionary transformation and also it's the political initiatives that follow from it. Now, the fundamental question for a revolutionary party is really its ability to find responses to the society's conflicting movement, responses that couldn't be born spontaneously of that movement itself.

That's the essential point. And our delay in drawing up a French-type socialism responsive to the needs of a society in the midst of change brought with it the political relaunching of a concept that was not adapted to the kinds of union linked to the left's proposal for a common program.

That is why, when we talk about delay, we are not seeking some kind of justification or other, we don't feel some kind of culpability or other. Our words are not meant to be just a value judgment. That's something else. We are making a statement that is the result of experience, of concrete analysis of the movement of society in all its aspects, of a lucid look at all of the fundamental causes of our problems.

We don't want reality to be called anything other than what it is. Otherwise, history shows very well that sooner or later it will be avenged!

For all that, our party hasn't evaded the movement of society. Everything isn't slow. If that were not so, no one would understand why we were the first to diagnose a crisis. And that is a major example, because the crisis is the question of questions. It was the crisis that led us, in the problems that arise in the effort to emerge from it--and that is most of the essential problems--, to measure the delay in formulating a revolutionary response. We were prisoners of strategic thinking that cut off the prospect of a socialism based on a model, of a proposed concrete political step, a step whose form was itself predetermined.

But I repeat, first of all we were not outside the necessities of the social movement. So what is the explanation for everything we have done in the intense class struggle, for our party's creative contribution to French society?

But on the essential point, on that which is the product of the very vocation of a political party whose set ambition is to act on behalf on transforming society, we had a poorly adapted response, becoming over the years an increasingly bulky obstacle on the road to such a transformation.

Therefore our delay is not positioned in relation to other political organizations, but in relation to our own ambitions. The others? I want to say, they are miles away because they are not set and they have even less means for getting out of the crisis, and for a revolutionary plan. Furthermore, they are fighting it.

You also ask me, delay how? It is not the province of a political leader like me to answer in the absolute. I also carried that model idea, I reasoned in terms of it. What is surprising about that? Political leaders pinpoint the concrete problems, the difficulties. On the basis of experience, they draw conclusions and make choices. That's what we are doing in analyzing the delay, in measuring all of its influence, in underlining the entire historical scope needed to surmount its effects, to open up a new perspective. Having said that, it will fall upon historians working in their own period to evaluate the historical material in its totality, to draw the various meanings from it.

[Question] You said the party has not evaded society's movement. But hasn't there been a delay in taking into account a series of changes, like the evolution of the working class, of production, of business and lifestyles? Also a



delay in taking into account aspirations such as self-management, or to a certain extent in the women's movement. More globally, can one summarize the delay as a chronological delay, or don't we have to consider it a continuing process that continues to have effects, while a new strategic plan was being put in place?

Rene Piquet: I'd like to take the second part of the question first. There is a chronological aspect in the delay, to the extent that one can locate in the 1950s and 1960s our difficulty in drawing up the right answers to the historical problems that are now being raised and at the end of the 1970s, the period in which we completely formulated them.

But contributing new answers doesn't immediately erase the effects of a former concept and political practice. All the more so because we are not alone, we don't decide everything independently of a context made up of power struggles and situations from which we can't cut ourselves off.

Then, is the process continuing to produce effects? Yes, of course! Not only does past sluggishness persist, but the effects are at the heart of our current difficulties! And in my mind, what is involved is not just the internal effects on the party, but also and especially, in my opinion, the social effects are involved. In the 1960s and 1970s, our party played an essential role in the social movement. Thus, in developing the idea of change and in order to do so out of the need for a common program, for a government of the left, it was our own action that was behind the strong progress of these ideas in political opinion. For a long time we did not assess the limitations of our former strategy, all the more so because that strategy was prolonging the strong political initiatives which, from the Popular Front to the Liberation, had profoundly marked the movement of the masses. Moreover, it was responsive, in many respects, to the spontaneous expectation of the people we were influencing, while the situation called for new responses. Pre-war, what was the major question for the French society? The fascist danger, and the response was the fight for democracy. The problem of the socialist transformation of the society did not come up as an immediate question. Our concept of the model was therefore not operating. During the war the model wasn't in operation, nor was our struggle for national liberation. And the forms of union that were practiced, on the other hand, were demonstrating their effectiveness. It is well understood that it is no longer the same when the crisis asks concretely, as a major, immediate question: what is the society for France today and therefore what kind of socialism?

But I return to the first aspect of the question to stress the following idea: let's not dilute the question of strategic delay, for fear of losing the basic view of the problem we have to surmount today. Of course, the same causes that led us to reproduce in a changed context an outmoded strategy, also had effects on our ability to grasp all of the direction and scope of the changes that were accelerating in the society of the 1960s.

But the major effect of the strategic delay on the drawing up of a French-type socialism is really the long-lasting structuring of a fixed political alternative concept, in the form of a Communist Party-Socialist Party coalition around a common government program.



And this for three basic reasons that the draft resolution analyzes with a self-critical strictness that deserves attention.

The first reason. The very existence of the common program seemed to guarantee the political alternative. Which, in fact, eliminated the necessity for fights over the causes of the crisis and thus the content of the issue; and led to removing the actuality of those fights everything that didn't enter into the framework of the compromise that was accomplished.

The questions of society's choices, of socialism, of the management content and social lifestyles were postponed until a later stage. Everything that mentioned those aspirations more or less vaguely was judged to be out of place and premature. In 1968 and since.

Hence the second reason. The desire to ensure, above all, the success of the compromise agreement with the Socialist Party nourished a restrictive concept of the popular movement itself. We were pressing to conclude the agreement, to guarantee it; in all of this the essential point was still the agreement, the content of which was fixed at the summit, and the realization of the government's work. The form the coalition took favored the expectation of the electoral deadline, the expectations of reforms from above.

Finally, the third reason. The plan for which the Communist Party deployed all of its energy also became for the people the Socialist Party's plan. Now at last the originality of the communist contribution and its necessity were blurred; thus leaving the field free for all operations, favoring the Socialist Party against an alleged "maximalism", even a "totalitarianism" on the part of the Communist Party.

That is the background of the delay in its twofold dimension, a delay on the French-type socialism and on the forms of the coalition: to put aside, in order to promote coalition, the time for one stage; to evade major confrontation on the question of socialism in France and in the world; to promote a concept of political alternative cut off in fact from the profound class struggle movement for the change in society that is necessary in this last quarter of the 20th century.

If I am stressing this so much, beyond the question that was asked, it is because there are many people who, while accusing us today of "archaism" in the face of society's changes, nostalgically evoke the concept of forms of union that was our former strategy at a time when the influence of its negative effects made itself felt so heavily in the problems that were being presented.

[Question] Let's be more specific on the fact that we have evaded a number of society's movements. Wasn't it their slowness in contributing answers that led the communists to leave an inadequate imprint on the movement of society?

Rene Piquet: Yes, to some extent, but to understand, you have to recall our concept of union, the way we conceived of rallying the popular forces to reach, in stages, within the framework of political agreements, a socialist society.

The problem is to be found, I repeat, using your word, in "the imprint" of the forms of union on the very movement of the society. You cited a number of new terrains, of aspirations whose importance we hadn't measured, nor had we perceived their existence. It isn't like that in reality. It's more complex. We could discuss our limitations case by case, but we could also discuss the advances we have made.

The role of a revolutionary party is not to be merely the reflection of aspirations; it is to analyze the social reality in order to suggest solutions and effective prospects for transforming the society. Our approach to the problems of business management, for example, really shows that taking aspirations into account is not enough to get at the heart of the problems to be solved, where class confrontation is most decisive and the presence of employers' dogmas is strongest. In order to mark the movement of society with the imprint of transforming ideas, the communists' original drawing-up effort wouldn't really have resulted in a spontaneous generation!

But, getting back to what I was saying, the imprint of the forms of union on the very movement of society. To make myself understood, I'll take the period between the end of the 1970s to 1984. If we look at that period through our former conceptions, you may find a lack of coherence in our activities. In 1977, we developed the idea of a minimal threshold, before 1981 it was already different, with our candidate we proposed a fight plan. In May-June 1981, on the basis of the electoral results, we decided on an agreement with the Socialist Party, then we went to the government on the basis of the French people's majority choices, that is the 110 proposals of Francois Mitterrand.

On the other hand, if we consider all of this from the point of view of our new strategy, everything takes on a new outline. In the period 1979-1981, in conformity with the 23rd congress, which released our thinking from the shackles of the programmatic approach, we affirmed our party's personality by proposing solutions likely to bring us out of the crisis, by presenting our own candidate. Then, universal suffrage settled, we took things for what they were and did our best to make them go forward insofar as possible. So our behavior is more understandable. Let's add that with the old vision, the period our adversaries have called the period of "one foot in and one foot outside" is inconsistent. But if we look at it with our present vision, it is quite simply the presence of the Communist Party anywhere and whenever it is in a situation where it can fight for the advancement of anything that can be advanced.

[Question] But this attitude is not understood by people, not even by all of the communist voters.

Rene Piquet: That is really one of our biggest problems. This is the first time in our history that we have had to fight ideas that we ourselves planted, and the audience for which we contributed to expanding. We fought for years for the signing of a common program and then for its content. But all that made people believe that a program and government that were socialist and communist would settle all the problems. But, after having experienced the right, the people had the experience that the left, this way, didn't work.

[Question] Between 1981 and 1984 we found ourselves in a situation that we had helped to fashion. To what extent, though, did we ourselves develop the same logic as before? On the one hand, we were in the position--with respect to the presidential event--of partners of a majority behind the proposals of the president of the Republic, and on the other hand we were formulating basic answers, as with Georges Marchais' conference on the crisis. But didn't the two have trouble coming together? Couldn't we register our presence in the government more in terms of what we are--I am referring to the 24th congress--by avoiding such a break?

Rene Piquet: As far as I'm concerned, there is no break. Our new strategic thinking was changed into concrete acts which as I said are consistent if you relate them to that strategic thinking. We have to see to it that this is understood. Our entrance into the government, like our departure, results from the same step, from the same strategy, from the same conception of our role and our place in the society. To say that we were not perceived as consistent because of the old ideas and practices still existing among the people, cannot lead us to believe that we have been consistent.

What you are citing, it seems to me, is still part of the same problem. There are our actions, which are one thing but which are interpreted as something other than what they really are. When we said, "We are in the majority" that was true, but experience showed that it wasn't enabling us to solve the problems caused by the government's drifting. When we were saying, "We are in the government in a given power struggle, but that's only good if the workers intervene," that side of our words wasn't heard. What was heard through the din of the rest was "one foot inside, one foot outside". Whereas, to us, everything proceeds from the same analysis, the same behavior.

[Question] Let's continue with that question. Isn't there a tendency, even an involuntary one, among communists to summarize, very often, their entire strategy and the political practice of the moment? There was the "strategy of the common program" and then the "grass-roots union strategy" and then the equation: strategy = participation in the government and then perhaps today, strategy = rallying. Isn't it also that tendency that contributes to the image of successive swings of a pendulum?

Rene Piquet: There was the common program strategy. That's correct. As to the other formulas, we have never said anything like that.

The problem has nothing to do with any pendulum in strategic wording. Today it has to do with the passing of an overall, well-defined strategic framework--the common program strategy--with a completely different way of approaching the social movement.

In addition, strategy never boils down to one concrete act, however important it may be. If, as I said, the responsibility of a party like ours is to provide answers to the questions posed by society's conflicting development, strategy is the party's practice in its totality (with its means, its objectives, etc.), practice that proceeds from answers that have been worked out.

Therefore we can't reduce our strategy to a concrete act, whether or not we are present in the government.

We ought to ask the question in reverse: does such a concrete act really follow from our strategy? It is no longer the act in and of itself, taken in isolation, but the process as a whole, that we must consider. In this way, the zigzagging feeling that may arise here and there disappears. That feeling, I repeat, comes from the fact that we judge the present reality and the acts that punctuate it with our old approach to reality. What is at stake, then, in our 25th congress, is really--on the one hand--to bring about a better perception of this whole strategic change, to intensify our policy, to complete our collective apprenticeship, in a word, to make our strategy and its innovative depth suit us better.

It's true that strategy is something that is never completely finished. It is always the reflection of a certain movement (of a certain moment, too) in the life of a society, in historical reality.

Today our strategy seems to me to conform to historical requirements. But we may be asked what there is about it that makes it better than others. I believe that in its very essence it shelters us from a number of risks. It is no longer based on the "model", let it be a model of socialism, a model of thinking. The abandonment of the notion of a dictatorship of the proletariat, then the passing of the "theoretical model" expressed by the rigid idea of "Marxism-Leninism", proceed from a similar desire to apprehend the real in all the contradictions of its movement, with a maximum of strictness and lucidity in analyzing and boldness in proposals. In addition to being a more accurate reflection of reality in consciousness, it is based, when it is being set in motion, on the participation of the people, their intelligence, their personal knowledge, the accumulated collective knowledge. I believe it concretely limits the share of the risk of our running into difficulties.

[Question] They talk about the strategy of the 22nd, then the 23rd and then the 24th congresses. Doesn't the idea often prevail that strategy consists of texts, the implementation of which is implied? At the same time, considering that until the present time the context would not really have allowed it?

Rene Piquet: A practice and texts feed each other reciprocally, but for my part, I am careful not to underestimate texts. To us communists, texts count. They are the product of an entire collective reflection, the fruit of an experience that is also collective. They are the product of working out schemes and seeking directions and activity sectors that synthesize the whole and thus form the most advanced point of the reflection.

Of course, next it remains for that strategy to take shape as it is practiced. The texts can't be dissociated from kinds of behavior. It is an entity. But neither can we release a whole element to make of it an absolute whole. Let's take for example our practices and ideas on new growth, new economic effectiveness, new management criteria. All of these elements are innovative, decisive, but they can neither be made absolutes nor can their strategy be isolated.

Similarly, we can't cut ourselves off from what remains in the final analysis the decisive element of the historical movement: the determinations made by the popular movement, the major actor in social transformation.



The time for collective experiences, for the development of ideas in the consciousness is not decreed by decisions made in congress! Especially when those decisions go against the thinking, the way things are done, that have been nourished by decades of practice. The difficulties of the last decade, our setbacks, while a decisive strategic change was starting, are explained by that telescoping. But the present experiment is rich in new potentialities for the popular movement.

[Question] But today, isn't the question in the perspective of rallying to get our strategy changed in the broader sense, which includes our practices and the people at the same rate?

Rene Piquet: No, no. The question today is not the evolution, but the deployment of our strategy. There again is one of the major questions for our 25th congress.

And to answer the question more precisely, it is useful to recall that there is in the preliminary document to the 25th congress a very firm invitation to each one to take charge of his own destiny, to assume his own responsibility in the totality of the life of society. It's a very strong concept of self-management. The new popular rally is a call to provide concrete answers to the problems with concrete forms of fighting, not fixed by a general staff, not even our own. And those answers, those concrete solutions can only have an anti-crisis content, therefore necessarily a class content. Without this content everything would be merely a continuation of what we have experienced with the right up to now, but also with the present government. It is all the more necessary because the obstacles are considerable and because nothing is spontaneous. It is for this reason that we don't want any constraints. We don't want to let what the people receive in the way of skills and ability to intervene to take its course in such a way--to pick up one of our old formulas again--that the masses make history.

That being the case, the problems of political accords and relations between parties are no longer the goal in and of itself that they were in our former concept of the coalition. On the contrary, the desired end of our action is the intervention of the workers, which doesn't exclude the political parties from being able to meet on precise points.

It's essential to see it. In Toulouse I personally had to answer a comrade who said, "That isn't anything new, we have been saying it for a long time: union only at the top, never, union at the bottom and the top sometimes, and union at the bottom always." But that is rightly no longer what we are saying. On the contrary, we want to put an end with the eternal PCF-PS confrontation. We want the workers themselves to be promoters of the rally and not just members of a group formed to put pressure on others--political parties--on whom the responsibility for deciding and building would fall again.

It is true that this idea of a new majority popular rally may leave some of the comrades skeptical, those who are saying to us, "How can we rally after the successive electoral reverses we have registered?"

But this time it isn't a question of thinking in electoral terms around a program. It is a question of something else altogether: we invite--as I said--

everyone to think about the concrete problems. First for the sake of the problems themselves, to outline them. Because we are going through problems, but how? Why? Next, starting from a concrete outlining of the problems, to make better determinations as to a solution and even further, as to its content, as well as the conditions and kinds of action, an action that rallies beyond even the differences--indeed the divergences--between workers on all or part of the rest of social living questions.

That prospect opens up a wide field that is not reduced to the field of electoral action, as important as it may be, but concerns all fields of social activity, and calls for multiform activity at any time and any place. It concerns business first, but also locality, region or the nation. It involves giving birth to a new concept of policy.

[Question] It is said that the former constraints did not allow our strategy to be deployed. But to affirm this rallying strategy today, is this for all that to make those constraints disappear? Aren't new constraints going to spring up, with, for example, the risk of increased bipolarization?

Rene Piquet: It isn't hard to imagine. One can't externalize in the realm of reality. But neither are we the victim of events. We continue to suffer the constraints of the past with the persistence of its heavy trends. But we have to permit each communist to take over our new strategy in order to go beyond those constraints. Because the new fact isn't the persistence of the constraints but the development of the idea, on the basis of experience, that we can no longer go about it as we used to--that this doesn't work, that something else has to be done.

New constraints may arise or increase like the bipolarization phenomenon? Yes, undoubtedly.

But our strategy, in its very essence, carries the ability to go beyond constraints. In that connection, our 25th congress is an important stage, as much for our party's future as for the life of the country.

They say we are archaic and obsolete. But when you look objectively at the opposing political forces, the movement of political and social thought in our country, the ideas produced and the solutions proposed, the most striking fact is that the PCF is the only party that innovates. We are the only ones to have an approach to economic development and its control that is totally new. No one other than ourselves is proposing this. We are the only ones to have a completely original conception of policy. With our self-managing perspective, we have a very good idea of what the citizens' presence and intervention in their own affairs ought to be.

We are the only ones to have socialism as an answer to historical necessities, a completely new concept.

If the 25th congress can contribute to the expression of the party's personality and identity for what it really is, we will no longer have the concern, as has happened too often, for dissociating ourselves from the others. Because dissociating ourselves cannot be a goal in itself. Our party's reason for being is to propose a great ambition to the French and build it together, and from that point of view we are miles ahead of the rest of the political organizations.

POLITICAL

FRANCE

POLITICAL, TRIBAL, ETHNIC BACKGROUND IN NEW CALEDONIA

Paris LE MONDE in French 19 Jan 85 p 6

[Text] If the referendum on self-determination for New Caledonia, currently scheduled for July, were to take place right now, would the majority of the electorate vote for the territory to become independent? Such an outcome would seem to be far from assured, if one takes into account the results of the most recent elections there--even if voters with less than 3 years residence in New Caledonia are not allowed to participate in the balloting, as Mr Edgar Pisani has proposed. That restriction would in any case only disenfranchise 5,500 of the 79,271 voters presently registered.

In fact, nothing that has happened in the last few years would seem to invalidate the judgment made in 1982 by Mr Henri Emmanuelli, then-secretary of state for overseas departments and territories, who volunteered the opinion, based on the results of the 1981 elections, that a territory-wide electoral majority in favor of independence simply did not exist.

All the same, in the predominantly Kanaki regions, the pro-independence forces have consistently outpolled the partisans of the status quo. This is particularly true in the first legislative district, including the east coast of Grande-Terre and the Loyaute Islands, whose deputy (unregistered) is Mr Roch Pidjot, president of the Caledonian Union (CU), the biggest pro-independence organization.

No one in these regions challenges the representativeness of the Socialist Kanaki National Liberation Front (FLNKS), which includes all the pro-independence groups with the exception of the Socialist Kanaki Liberation Movement (LKS) led by Mr Nidoish Naisseline. And FLNKS is relying heavily on the predominance of ethnic Melanesians in these areas in its strategy for removing the Caldoche bushmen, whom it deems undesirable.

This strategy is not a new one. In autumn 1981 Eloi Machoro, who was not yet secretary general of the CU, told a MONDE correspondent in his constituency: "The reconquest of New Caledonia begins in our region. When we have cleaned up our own region, then we will go on to Thio, La Foa, Bouloupari. Every tribe is making a list of those who must go. We are going to have a test of strength. Everyone must know that we are prepared for shooting if that is necessary."



The turning was clear: even 4 years ago the pro-independence leaders let it be known that they would exploit the inequities in geographical distribution in order to enable the Kanaki movement to resist the central government. The ethnic map of New Caledonia, which perfectly overlaps its political map, is the other key to the puzzle.

The opponents of independence, in order to minimize the political weight of the Kanaki community, and thus to offset the demands for independence articulated by the FLNKS, have for some time been emphasizing the large number of mulattos. Thus, in order to try to sell the idea that the Kanaki community is in reality a small minority, Jacques Chirac and the territory's RPR [Rally for the Republic Party] deputy, Mr Jacques Lafleur, emphasized on 7 January on Channel 2--as did Albin Chalandon in a commentary that appeared on 10 January in LE MONDE--that the territory has some 70,000 mulattos.

This figure rests on no scientific basis. INSEE [National Institute of Statistics and Economic Studies] has never carried out a census of the mulattos. One reason why the institute has never performed such a demographic breakdown is that in New Caledonia a child born of a mixed marriage is integrated, after his birth, into the ethnic group of his father or mother. Properly speaking, therefore, the term mulatto has no cultural, social or political meaning. There is thus no foundation for the argument that there is conflict between the blacks and the mulattos.

More importantly, the weight of evidence indicates that the partition of New Caledonia is today a reality that is all the more immutable because it is rooted in ethnic fact. The demand for independence is in fact really nothing other than the will of the majority of the Kanaki community. That fundamental fact will condition the evolution of the situation in the territory.

#### Politico-Ethnic Cleavage

Every election in recent years has confirmed the fact that New Caledonia is polarized along the lines of the geographical distribution of the territory's principal ethnic communities--with the difference that one of them has been colonized by the other.

The electoral reform of December 1977, which established a second legislative constituency, crudely reinforced that bifurcation.\* A few months later, during the legislative elections of March 1978, Mr Jacques Lafleur, the beneficiary of this pro-Caldoche reform, was elected for the first time as the deputy of that "white" constituency which was created by drawing a line to divide the territory lengthwise on an ethnic axis--thus including the main city, Noumea,

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\* The first legislative constituency includes the communes of Canala, Thio, Yate, Hienghene, Houailou, Poindimie, Ponerihouen, Pouebo, Touha, Ile des Pins, and the communes of Lifou, Mare and Ouvea (Loyaute Islands). The second constituency includes, in addition to Noumea, the communes of Belep, Bourail, Kaala-Gomen, Kone, Koumac, Ouegou, Pouembout, Poum, Poya, Voh, Bouloupari, Dumbea, Farino, La Foa, Moindou, Mont-Dore, Paita and Sarramea.

along with all the localities on the western coast where the European-origin population is concentrated. Mr Lafleur won in the first round, taking 16,963 votes, or 55 percent of the votes cast.

In the first constituency (which has come to be known as the "black" constituency), where the Melanesian population is predominant, Mr Roch Pidjot, charismatic leader of the CU, was himself re-elected in the second round with 8,414 votes, or 59.47 percent of the votes cast. Three other pro-independence candidates had opposed him in the first round, and the total of all the pro-independence votes was 10,345, or 67.7 percent of the votes cast. The anti-independence candidate in this district, who was none other than the present RPR senator, Mr Dick Ukeiwe, received 4,935 votes in the first round (32.29 percent) and 5,732 in the second (40.52 percent), including the support of the Polynesian community of Thio.

Nevertheless, the pro-independence vote over the territory as a whole was in the minority.

A year later the territorial elections of July 1979 reinforced the politico-ethnic cleavage between the eastern and western parts of the archipelago. The anti-independence forces won easily in the South and West territorial districts, but in the other two the Independence Front, created for this purpose, maintained its dominant position: it received 5,681 votes in the East district (where Jean-Marie Tjibaou and Eloi Machoro were elected territorial councillors), or 62.72 percent of the votes, and 9,529 in the Loyaute Islands (where the winners were two other current leaders of FLNKS, Yann Celene Uregei and Yewene Yewene), or 64.44 percent of the votes. The relative strength of the "nationals" and the pro-independence forces thus remained unchanged.

To the Detriment of Mr Mitterrand

In May 1981 the influence of the pro-independence movement was confirmed...to the detriment of Mr Francois Mitterrand.

Seven years previously, at the time of the 1974 presidential elections, the first secretary of the Socialist Party [FSP] had carried New Caledonia, with the help of all the pro-independence parties, whose militant struggle he endorsed. In the second round of the voting, he defeated Mr Valery Giscard d'Estaing by 18,483 votes (50.74 percent) to 17,937 (49.25 percent). Now in 1981 the only support for Mr Mitterrand in the first round came from the CU. The other pro-independence formations called on their adherents to abstain.

In the first round, the socialist leader clearly trailed Mr Giscard d'Estaing: he received only 11,218 votes (23.33 percent), compared to 23,471 (48.82 percent) for his main rival. The handicap was too heavy to overcome in the second round: even though all the pro-independence parties decided to support him then, Mr Mitterrand ended up getting only 18,039 votes, or 34.94 percent--15.8 percentage points less than in 1974--while the incumbent president, standard-bearer for the anti-independence cause, took 34,250 votes.

The only consolation for the socialist candidate was that he did win decisively in the first round voting in the first or "black" legislative constituency, receiving 5,108 votes (while Mr Giscard d'Estaing had only 2,591).

The legislative elections of June 1981 reflected the stability of the alignments. In the first constituency, Mr Pidjot was re-elected, even though he was opposed by a second pro-independence candidate, Mr Nidoish Naisseline, leader of the LKS: his tally was 6,348 votes (or 41.99 percent), while the opposition candidate received 5,303 votes (35.07 percent) and Mr Naisseline 3,466 (22.92 percent). In all, 64.92 percent of the votes cast in the constituency in the second round in June 1981 were for pro-independence candidates. These candidates had received 63.54 percent in the first round.

In the second constituency, Mr Lafleur was triumphantly re-elected on the first round with 16,289 votes, or 54.34 percent, despite competition from eight other candidates. The demands for independence are thus based on a solid electoral majority in the areas where the Melanesian community is demographically dominant.

#### Kanaki Country and White Country...

At the end of 1983 the resident population of New Caledonia numbered 145,368 inhabitants:

- 61,870 Melanesians and similar types (42.56 percent);
- 53,974 Europeans and similar types (37.12 percent);
- 12,174 Wallisians and Futunians;
- 5,570 Tahitians;
- 5,319 Indonesians;
- 5,249 persons of various origin, and 1,212 Vanuatans.

The settlement areas of the various ethnic groups, as shown in a study by Mr Jean-Pierre Doumenge, a geographer, in "Atlas de la Nouvelle-Calédonie" published in 1981 and re-issued in 1983 by ORSTOM [Bureau of Overseas Scientific and Technical Research], has remained quite constant since 1976, the reference year assumed by the research institute.\* In describing the general economy of the settlement, he speaks of a "strong regional imbalance resulting from an accelerated urbanization that benefits Noumea" and of "a primarily coastal and lowland settlement."

Elsewhere, one reads in a Senate information report published after four senators went on a mission to New Caledonia from 25 August to 6 September 1982 that "the unequal distribution of ethnic groups over the territory is one of the basic facts in the Caledonian problem, for it conditions the economic, social, and cultural life of the territory, not to mention the political consequences of such a situation."

#### The Melanesians

There are Melanesians in all the communes, and in 1976 they were a majority in 19 of them, according to Mr Doumenge. Published in the Senate report, the

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\* French Institute of Scientific Research for Cooperative Development. General Headquarters: 24, Rue Bayard, 75008 Paris. Publications service: 70-74 Route d'Aulnay, 93140 Bondy. The maps published herein are taken from that atlas.

demographic data show the Melanesians constituting the following percentages in communes in the interior: 83.8 percent in Yate; 82.9 percent in Sarramea; 78 percent in Canala; 58.3 percent in Moindou; 46.7 percent in Thio; 41 percent in Bouloupari; 33.2 percent in La Foa, and 5.7 percent in Farino.

In the eastern subdivision: 89 percent in Pouebo; 84.7 percent in Ponerihouen; 82 percent in Hienghene; 77.9 percent in Touho; 76.3 percent in Poindimie; 72.3 percent in Houailou.

In the western subdivision: 69.1 percent in Kaala-Gomen; 68.1 percent in Ouegoa; 64.4 percent in Kone; 63.6 percent in Poum; 60.8 percent in Voh; 44 percent in Poya; 43.9 percent in Koumac; 41 percent in Pouembout, and 31.8 percent in Bourail.

On Ile des Pins, 90.3 percent of the population is Melanesian. The proportion is greater than 99 percent on the Belep Isles. In the Loyaute Isles they constitute 99.1 percent (Ile de Lifou), 99.2 percent (Ile de Mare) and 97.6 percent (Ile d'Ouvea).

In "greater Noumea," by contrast, "less than 30 percent of the residents are of indigenous stock," according to Mr Doumenge.

He continues by noting that the mobility of the Melanesians, as a function of the "employment capacity created by the Europeans, has been observed to decline following the surge caused by the economic boom of 1969-1972."

#### The Europeans

The European areas, according to Mr Doumenge, are "in part the opposite of the Melanesian ones." Europeans are few in number in the eastern islands and coastal areas (except on Thio). They account for 50 to 75 percent of the population in Noumea, Mont-Dore, Farino, Bourail and Koumac.

In 1976 more than 60 percent of New Caledonians were born in the territory, compared to 29 percent born in metropolitan France. Among the remainder, a majority were of African origin or from the overseas departments.

#### "In Less Than a Generation..."

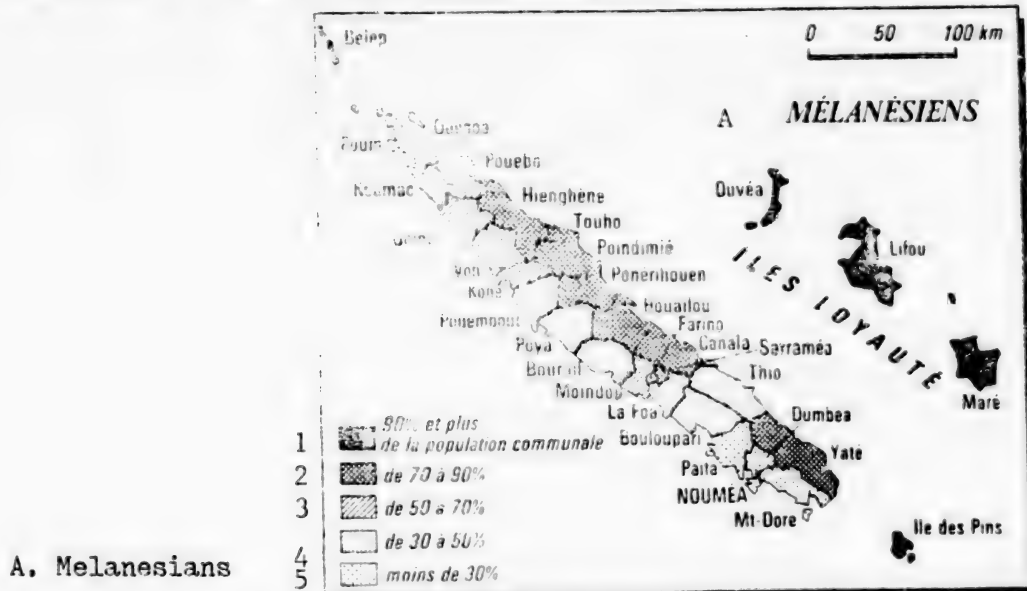
The Minorities--Noumea's suburban communes (Mont-Dore, Dumbéa and Païta) are the principal settlement areas of the Polynesians (originally from French Polynesia or the Wallis and Futuna Islands). The latter, according to our correspondent in New Caledonia, have been particularly active in the demonstrations in recent days.

On Thio more than one-fourth of the population is Polynesian. In general, the Polynesians tend to settle "near mining activity and urban areas," according to Mr Doumenge.

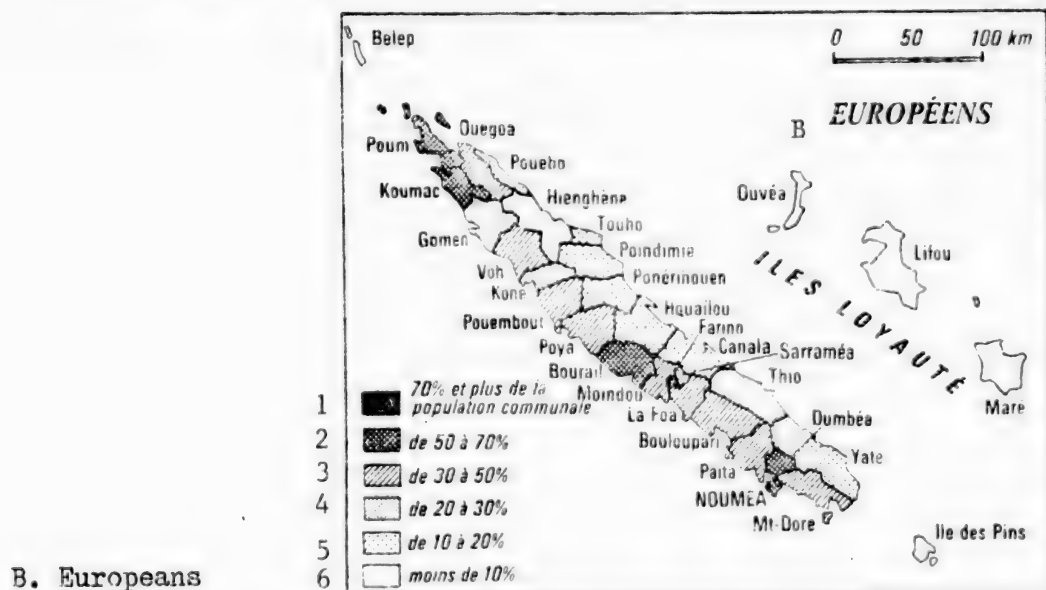
The Indonesian community is primarily rural (Bouloupari, Pouembout, Kone, Gomen, Hienghene, Touho) with the exception of Païta. On the other hand, up to 1976 none of the other minorities were settled outside the Noumea area.

These diverse ethnic minorities "are now full participants in the demographic life of New Caledonia," Mr Doumenge noted. And his conclusion is worth re-reading and pondering in the midst of today's dramas and debates: "In less

than a generation, four-fifths of the population will be natives of the country. The criteria for differentiating between the various groups will certainly be changed by the prominence of the autochthonous ones, who are represented today by the Melanesians."

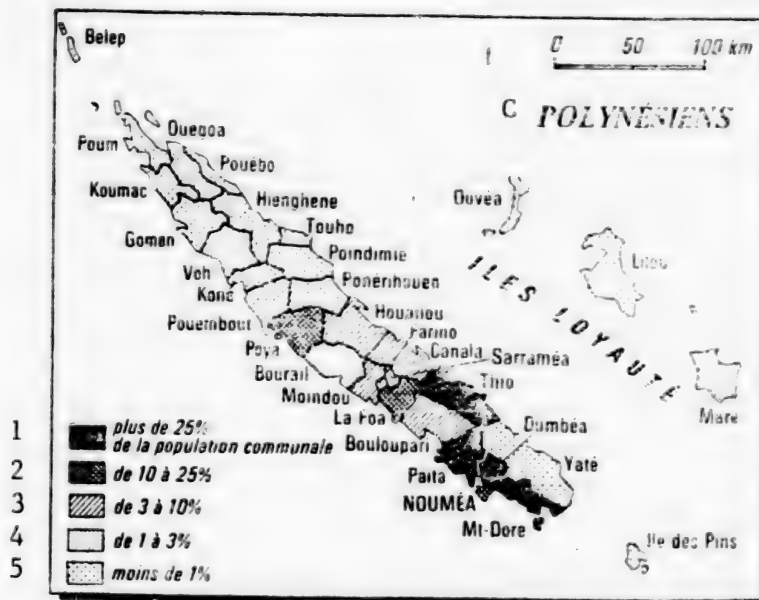


1. 90 percent or more of communal population.
2. 70 to 90 percent.
3. 50 to 70 percent.
4. 30 to 50 percent.
5. Less than 30 percent.



1. 70 percent or more of communal population.
2. 50 to 70 percent.
3. 30 to 50 percent.
4. 20 to 30 percent.
5. 10 to 20 percent.
6. Less than 10 percent.





### C. Polynesians

1. More than 25 percent of communal population.
2. 10 to 25 percent.
3. 3 to 10 percent.
4. 1 to 3 percent.
5. Less than 1 percent.

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CSO : 3519/181



POLITICAL

GREECE

## LARGE ARAB COMMUNITY SETTLES IN ATHENS

Athens TO VIMA in Greek 20 Jan 85 p 35

/Article by Olymbia Tsipira: 'A...Small Arab City Within Athens' /

/Excerpts / "We Speak Arabic..." Undoubtedly you see this small sign in Arabic more and more recently in restaurants, jewelry stores, electrical supply or clothing stores, even in small bakeries...The Athens market "is opening" to a new consumer which is estimated at 50,000 Arabs: students, working people, executives of enterprises, rich businessmen...

Many Greek entrepreneurs are pinning their hopes on the Arab consumers. It appears that jewelry stores, bakeries and entertainment places are the luckiest.

Equally impressive is the "opening" of the Arabs in the Greek market where they excel as merchants or entertainers. According to certain reliable assessments, the Lebanese who came to Greece as a result of the civil war in their country are the most successful. But many others, from different Arab countries, are also successful entrepreneurs. In recent years they mushroomed into Arabic export-import trade enterprises by establishing banks, bakeries, restaurants, nightclubs, video clubs, etc.

The most manifested Arab "invasion" of the Greek market is in the news-stands (kiosks) in the Syndagma, Omonoia and Kolonaki Squares. Tens of Arab magazines and newspapers--printed in Europe--are being sold, thus increasing the business of the kiosks. The Lebanese magazines AL-HAWADIN and the Saudi Arabian magazine AL-MAJALLAN, both printed in London, as well as the Lebanese magazine EL-MUSTAQBAL, which is printed in Paris, have the largest circulation.

The newspapers with the largest circulation are the AL-NAHAR and AL-SAFIR, both of Lebanon and AL-QABAS of Kuwait. About a year ago an attempt was made by two Lebanese publishers to publish an Arabic newspaper in Athens, but after a few months AL-HIWAR closed down even though it had a circulation of 12,000 copies. The weekly newspaper AL-HAQQA'ID started last June with Greek-Egyptian cooperation. Also, a Greek-Arab magazine is published in Athens. Its circulation reaches 10,000 copies.

An Arab bookstore, the Al-Manarah, which means lighthouse, operates on Askleipios Street in Athens. It is one of the best-known hangouts of Arab students and its owner is an Egyptian. At first it derived its financial support from sales of the Koran.

Without doubt the areas of entertainment and food are the ones where the Arab customs and Arab taste have "infiltrated" most. In the past 3 years the Arab restaurants have multiplied, especially in the areas around the hotels Hilton, Caravel and Kalamaki.

The opening of the trade-economic relations between Greece and the Arab countries--the result of which is the strong presence in Athens of the "brown" element--is also manifested in the establishment of Arab banks. According to Lebanese banker Sami Makarim the Greek-Arabic Bank opened in 1979, the first Arab bank opened in 1980 with Jordanian capital (Arab Bank) and the Universal Bank of Lebanon was established in 1984. A bank with Iranian capital is due to open in the near future.

At the same time there are in operation the so-called "sure" (non-competitive) businesses which have been established in accordance with the 1967 Law 89. They are purely Arabic established with Arab capital and their number today is at least 150. The managers and personnel of these businesses are Arabs, many of whom have established permanent residence in Greece.

Whether entrepreneurs or not, transients, students, professionals or plain working people, all these Arabs who, since 1976 especially, have adopted Greece as their second motherland or as a place for their enterprises and who trade, live or are nostalgic for their countries, are already making very evident their daily presence and influence on the Athenian market.

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CSO: 3521/160

POLITICAL

GREECE

#### KKE REACTION TO PASOK 'CONSERVATISM'

Athens RIZOSPASTIS in Greek 20 Jan 85 p 1

/Text/ There will be an official KKE analytical response to the prime minister's speech. As for first impressions, KKE circles have made the following observations:

First: While the prime minister speaks in the name of struggle against the Right, in essence he is also attacking the KKE. This attack on the KKE not only does not camouflage the conservative bent of government policy but also confirms it.

Second: Whatever democratic freedoms the Greek people have acquired is not a gift from anyone but a result of tough struggles and fight for change. The government, instead of basically expanding these freedoms has for quite a while been trying to restrict them, with Article 4 being a characteristic case in point.

Third: As to how it is getting along with ND, this is revealed in principal national issues, such as the issue of the agreement on the bases, the "purchase of the century," EEC, Limnos, etc., as well as the issue of the electoral law now where the government options are fully agreed to by ND.

Fourth: Instead of making recommendations for the KKE to make conclusions from its history, it is the government that should obtain the necessary historical lessons from the tactic of bilateral struggle.

Fifth: No theory and even more theories about "regulators" and about "summit cooperation" cannot hide the fact that the election bill that the government brought forward is nothing but a copy of ND's predatory electoral fraud law.

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CSO: 3521/162

POLITICAL

GREECE

PAPANDREOU CHOICE OF 'SCENARIO': POLITICAL EXPEDIENCY

Athens MESIMVRINI in Greek 29 Jan 85 p 7

/Commentary by "The Dialectician": "Scenarios"

/Text/ Much has been written and talked about concerning the peculiar delay in the government's announcement about the cancellation of the famous scenario-lesson from NATO's Defense School. As is well-known, quite a few weeks elapsed from the time this occurred to the time it became public through the peeved recall of the student officers and the even more exasperated government announcements. Of course, this entire story came about to give comfort to PASOK's leftists and to the KKE's friends who had become furious over the electoral law. In other words, it was shown that Mr Papandreou always keeps a few anti-West fireworks in his drawer so as to make use of them during critical moments in his relations with the KKE. If nothing happens the fireworks remain in the drawer. If, however, some concession is made to the...Right, the prime minister, faced with the danger of strikes that could cause him to lose votes in the next elections, opens up the drawer, removes from it a scenario that had been drawn up in some NATO office and this brings about some balance, providing some anti-West fare to his leftist allies and also to his own party "base."

The case of the School of Rome is not the first. In many more other difficult instances, Mr Papandreou has in the past had recourse to secure his labor presence. Knowing that in the last analysis the followers of Mr Florakis take their line from Moscow he tries at times to give them pretexts to ridicule themselves or the readers of their newspapers. All of this talk about a bad Right that tortured, imprisoned and persecuted innocent leftists, of course, refers to the distant past since by general consent not the slightest protest has been made between 1974 and 1981 over a violation of the equality of civil rights or democratic laws. And only the fact that the day after Mr Papandreou is getting ready to recommend Mr Karamanlis to be president of the republic shows that he recognizes his counsel in the appeasing of passions and the reestablishment of democracy following the 7-year democracy /as published; probably should read dictatorship/. Why, then, on the other hand, does the Right appear every now and then as something different from its natural leader for years, as some monster that must never again return to power? Why, very simply put, so as to assuage the followers of Markos Vafeiadis and Aris Veloukhiotis who have never forgiven the Right--any form of Right--in their defeat in trying to enslave the Greek people.

So, as the presidential election approaches, Mr Papandreou is thinking of the recent Right, i.e. Mr Karamanlis. As the parliamentary elections approach, he looks back to the distant past and remembers the Right of that time --that is, Mr Karamanlis once again and his predecessors. In reality, most persecutions and sentencing of leftists were conducted by governments of the Center. That Center to which the father of the present prime minister belonged, that old man of the republic and that tender husband of Grandmother Sofia....

So, Mr Papandreou has conditioned us to the selection of scenarios. Every time he is in a difficult spot, he pulls out an old scenario. In the case of the Naples school he remembered something that his subordinates had told him over a month ago. He did not place much importance to it at the time because the Americans were trying to resolve the Cyprus question. Now, things have changed: The Cyprus question has not been resolved, the electoral law with the reinforced proportional system had to come out into the light and the KKE would be "kicking." So, the scenario had to come out in public view! But this is not foreign policy: It is an exercise in futility.

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CSO: 3521/162

POLITICAL

GREECE

## UNSETTLED KARAMANLIS ISSUE TROUBLES POLITICAL CLIMATE

### Secretiveness Rapped

Athens I KATHIMERINI in Greek 10-11 Feb 84 p 8

/Excerpts/ On the political horizon, the issue of the presidency is the most important and the most immediate. Foreign newsmen and, generally speaking, all foreigners residing in Greece insist on discussing the Karamanlis issue and use this question as a kind of quiz:

"Who needs the other most? Does Andreas need Karamanlis or Karamanlis Andreas?"

Starting from this premise, there are many avenues and the game of variations "thereof" becomes rich and impassionate:

"Look, what is certain, is that without the PASOK votes, neither Karamanlis nor any other president can be elected. For Karamanlis to win, Andreas must desire it. But of course, even before Andreas, it is he who must want it. He must want to add another 5 years to his 6 years as prime minister and 5 in the presidency. He must want to offer his country a 16-year service...."

"But," comes the question, "if he just wants to rest and avoid another trying period, as is normal and natural, then what?"

"Then, we're in trouble! Papandreou's dream of completing his 4 years and reaching the end of his term in October evaporates and we are faced with immediate elections. The constitution says...."

And then, which of the two important parties is more likely to win these elections? This is the unavoidable question that follows. As unavoidable as the conviction that without President Karamanlis, Andreas' presence in the office of the prime minister is problematic.

Now, as the constitutionally set dates /for elections/ are approaching, which will not change and will not be affected by domestic or foreign developments, how much more logical it would be, if we knew what the decisions of the protagonists of our political life are.



No democratic country cultivates secretiveness as we do, letting doubts, uneasiness and worthless prophecies grow until the last minute of the last hour of the last day of the last month of the last year.

#### Reported Opposition Within PASOK

Athens I KATHIMERINI in Greek 10-11 Feb 85 p 16

/Excerpts/ The intervention by deputy Il. Khatzoplakis in the recent meeting of the PASOK parliamentary group, during which he asked that Constantine Karamanlis' candidacy be discussed had wider repercussions. In spite of the fact that there were many deputies who disapproved of his initiative and asked that the issue not be brought to the floor, Khatzoplakis was expressing the secret thoughts of many of his colleagues.

According to a long-time, experienced deputy, the disapproval may have been "noisy," but it seemed to be "artificial, not to use another adjective," he added.

"Moreover," the same deputy said to a group of colleagues, "the whole affair was aimed at avoiding the discussion on the flaming issues such as the list and the election of the president."

According to another deputy, "the problem is not Karamanlis himself, even if some party officials are opposed to him. The issue lies in the reaction against the prime minister himself on the part of many deputies, and this is why it is connected to the list. Many colleagues bring forward the Karamanlis issue in order to upset Papandreou and secure sympathies in the party apparatus."

CSO: 3521/172

POLITICAL

GREECE

#### LIST OF GUESTS AT PEACE CONFERENCE

Athens I KATHIMERINI in Greek 30 Jan 85 pp 1, 3

/Text/ The Conference on Peace and Disarmament begins tomorrow in Athens with the participation of leaders of four of the six countries that are represented in the organization as well as 52 other individuals. Tomorrow morning there will be a special meeting after which an appeal will be made to the big powers concerning disarmament. This evening President K. Karamanlis will receive the guests at a reception at the presidential mansion.

After the reception Prime Minister A. Papandreou will host a formal dinner at the Maximos Building for Messrs Olof Palme, Raul Alfonsin and Julius Nyerere.

At 9 am tomorrow the conference sessions begin at the Zappeion and will continue until 1 pm. This will be followed by a luncheon at the King George Hotel. After that, at 3:30 pm, a press conference will be held. The conference sessions will resume at the Zappeion at 5 pm and will adjourn at 7 pm. A reception will be held at the King George Hotel that evening.

Prime Minister Papandreou returned from New Delhi yesterday. Traveling with him aboard the plane was Swedish Prime Minister Olof Palme. Argentine President Alfonsin arrived later on. Tanzanian President Nyerere is expected to arrive today.

Of those leaders who took part in the Conference on Peace and Disarmament in New Delhi, Mexican President Miguel De la Madrid and Indian Prime Minister Rajiv Gandhi are not attending the meeting in Athens.

The leaders of the three countries will leave Athens for their own countries on Friday, while the remaining participants will leave on the week end.

Speaking to reporters on his return from New Delhi, Prime Minister Papandreou said that he would take the report on the meetings held in the Indian and Greek capitals to the EEC summit meeting as well as to the Soviet and Chinese governments when he visits these two countries in February and March.

According to the list issued by the presidency of the government, the following are taking part in the peace conference:

(1) Prince Sadruddin Aga Khan, (Switzerland), former UN High Commissioner for Refugees; (2) Georgiy Arbatov, (USSR), director of the Institute of North American Studies of the Soviet Academy of Science; (3) Yevgeniy Velikov, (USSR), deputy director of the Kurtsatov Nuclear Energy Institute of the Soviet Academy of Science; (4) Philip Viger, (USA), administrative advisor of the Automatics Company; (5) K. Viporelli, (Italy), specialist in security issues of the Italian Socialist Party; (6) John Kenneth Galbraith, (USA), economist; (7) Lizon Giner, (Spain), vice president of parliament; (8) Dr Olafour Ragnar Grimson, president of the PWO /Parliamentarians for World Order/; (9) Jane Gramblum, (USA), coordinator of the nuclear arms "freeze" campaign; (10) Ira Gwallach, (USA), representative of the Gotesman and Company firm; (11) Odysseas Elytis, (Greece), poet, Nobel prize winner; (12) Emilio Kastri, (Switzerland), secretary general of the World Council of Churches; (13) Brius Kent, (Great Britain), secretary general of the nuclear disarmament campaign; (14) Coretta Scott King, (USA), wife of Martin Luther King; (15) Helene Clark, (New Zealand), deputy, chairman of the foreign affairs committee; (16) Sadli Klibi, (Tunisia), secretary general of the Arab League; (17) Pengo Cordoves, (Ecuador), deputy secretary general of the UN special political affairs; (18) Bruno Kreisky, (Austria), former chancellor; (19) Vice Admiral Gene Larok, (USA), director of the Defense Intelligence Center; (20) David McTagart, (Great Britain), president of "Green Peace"; (21) Didimons Mutasa (Zimbabwe), president of parliament; (22) Relons Terbik (Netherlands), deputy, chairman of the foreign affairs committee; (23) Dimitrios Beis (Greece), mayor of Athens; (24) Angel Balefski (Bulgaria), president of the Academy of Science; (25) Egon Bar (West Germany); (26) Giovanni Berlinguer (Italy), Italian Communist Party deputy; (27) Keith Best, (Great Britain), member of the House of Commons; (28) John Edwin Broz (USA), president of the Institute of East-West Studies; (29) Jup den Uyl (Netherlands), former prime minister; (30) Thomas Downey (USA), member of the House of Representatives; (31) Anthony Niaky (Tanzania), Tanzanian high commissioner in the United Kingdom; (32) Gen Olusegun Obasanjo (Nigeria), former Nigerian president; (33) Bogdan Osolnik (Yugoslavia), former minister of culture and former ambassador to Moscow; (34) Reyno Paarsilinna (Finland), member of parliament; (35) Christopher Paine (USA), representative of the Physicists for Social Responsibility; (36) Olof Palme (Sweden), Swedish prime minister; (37) Dr John Pastori (USA), international secretary of the IPPNW /International Physicians for the Prevention of Nuclear War/; (38) Carlos Andre Perez (Venezuela), former president of Venezuela; (39) Yanos Petar (Hungary), former minister of foreign affairs; (40) Sir S. Rambal (Great Britain), secretary general; (41) Maj Gen Edar J. Rayki (USA), chairman of the International Peace Academy; (42) Giannis Ritsos (Greece), poet; (43) Alfonso Garcia-Robles (Mexico), ambassador; (44) Andonis Samarakis (Greece), writer; (45) Stanley Sinbaum (USA); (46) Max Smit (East Germany), director of the Institute of International Political and Economic Sciences; (47) Yannes Stanovnik (Yugoslavia), member of the Socialist Republic of Slovenia; (48) Pierre Trudeau (Canada), former prime minister; (49) Myed Jan Faber (Netherlands), secretary general of the Church Peace Council; (50) Edgar Faure (France), former prime minister; (51) Sylvia Hernandez (Mexico), member of parliament; (52) Dr Frank von Heippel (USA), representative of the Center for Energy and Environmental Studies, Princeton University.

5671

CSO: 3521/170

POLITICAL

GREECE

BRIEFS

TSOKHATZOPOULOS IN KYSEA--Minister to the Prime Minister Akis Tsokhatzopoulos, who is already a member of KYSYM /Government Council/ and is also the head of the ministerial "technical" group, has been appointed member of the KYSEA /Government Council for National Defense/. The decision that was published yesterday in the GOVERNMENT GAZETTE mentions that the Ministerial Council made the decision on 21 December 1984 on the suggestion of Prime Minister Papandreou. /Text/ /Athens TO VIMA in Greek 17 Jan 85 p 17 5671

CSO: 3521/162

POLITICAL

NORWAY

## POLLS MEASURE SUPPORT FOR PARTIES

### Labor Supporters Most Loyal

Oslo AFTENPOSTEN in Norwegian 6 Feb 85 p 3

[Text] The concentration of forces prior to the election is under way. An opinion poll Gallup/NOI [Norwegian Public Opinion Institute] conducted in December on party stability showed increased support for the party people voted for in the last Storting election compared to the poll taken in November. The results were most striking this time for the Center Party, the Socialist-Left Party and the Christian People's Party.

Both the Labor Party and the Conservative Party showed tendencies toward a possible decline of party sympathizers compared to the September poll. This was most obvious for the Conservatives, where 41 percent said in this poll that they might vote for another party, while the corresponding figure in September was 17 percent.

Among those who voted in 1981, 87 percent of the people who voted for the Labor Party were quite certain they would vote for the same party this time. Corresponding figures for this party in November and September were 85 percent and 84 percent.

The figures for the Progressive Party (in the same order) were 50, 48 and 45 percent.

For the Conservative Party the figures were 73, 70 and 74 percent.

For the Christian People's Party they were 89, 73 and 77 percent.

For the Center Party they were 78, 66 and 73 percent.

For the Socialist-Left Party they were 75, 62 and 59 percent.

For the Liberal Party they were 57, 55 and 77 percent.

The material supporting the figures for the Progressives, the Center Party, the Socialist-Left Party and the Liberals was not enough to make these figures statistically reliable.

Of those who showed a political preference for the Labor Party the December poll showed that 62 percent supported the same party compared to 84 percent in September, while 8 percent considered voting for another party and 5 percent said they were sure they would vote for another party, compared to 6 and 2 percent for the last two categories in September. Some 19 percent were unsure compared to 7 percent in September.

Progressive Party sympathizers strongly supported their party in December by 87 percent compared to 45 percent in September. Some 5 percent might vote for another party (11 percent in September) while 3 percent would definitely vote for another party (compared to 33 percent).

Conservative support declined from 74 percent in September to 50 percent in the latest poll. Here 23 percent of party sympathizers from the last election had now begun to consider voting for another party (14 percent) while 18 percent said in November that they would definitely vote for another party compared to only 3 percent in the September poll.

Some 73 percent of Christian People's Party supporters said this time that they would vote for the party (77 percent) while 14 percent might vote for another party (7 percent) and 9 percent would definitely vote for another party (8 percent).

When it came to the Center Party 89 percent would vote for the party this time among those who supported it in the election (73 percent), 5 percent might vote for another party (6 percent) and none of those asked were so dissatisfied that they would vote for another party (2 percent). Some 6 percent said they were not sure (16 percent).

#### Nonsocialists Again Majority

Oslo AFTENPOSTEN in Norwegian 9 Feb 85 p 3

[Article by Egil Sundar]

[Text] Are we heading for another nonsocialist election victory? The non-socialist parties are strengthening their position and passed the 50 percent mark in the Gallup/NOI/AFTENPOSTEN political barometer for January. A support level of 50.6 percent was the highest registered since last March for the three government parties, the Conservatives, the Christian People's Party and the Center Party--together with the Progressive Party. In comparison the socialist bloc, the Labor Party, SV [Socialist-Left Party] and the Liberals had the support of 48.4 percent of the voters. The poll which was taken in the period from 10 to 25 January shows the greatest gains for the Conservative Party--from 29 percent in December to 30.6 in the first month of the election year.

Exactly 8 months to the day before the "fateful election" the latest Gallup figures will create increased optimism in the nonsocialist camp. The



government coalition is on the rise and if the Progressive Party is included one can at least conclude that the nonsocialist bloc has strengthened its chances of winning.

#### Poll Results

Question: If you had to vote in a Storting election tomorrow, which party would you vote for? (Answers given in percentages)

Party	<u>1981</u> <u>Elec-</u> <u>tion</u>	<u>Apr</u> <u>1984</u>	<u>May</u> <u>1984</u>	<u>Jun</u> <u>1984</u>	<u>Aug</u> <u>1984</u>	<u>Sep</u> <u>1984</u>	<u>Oct</u> <u>1984</u>	<u>Nov</u> <u>1984</u>	<u>Dec</u> <u>1984</u>	<u>Jan</u> <u>1985</u>
Labor	37.1	38.6	40.3	39.3	40.0	39.3	40.0	40.9	40.8	40.3
Liberal										
People's	0.6	0.8	0.7	0.6	0.6	0.0	0.5	0.5	0.5	0.5
Progres-										
sives	4.5	6.4	6.6	5.6	5.8	5.1	5.6	5.3	6.6	6.2
Conserva-										
tives	31.8	28.4	28.5	30.0	29.1	30.3	29.2	29.9	29.0	30.6
Christian										
People's	9.3	8.0	7.8	7.8	7.4	8.4	8.7	8.6	8.4	8.6
Red Elec-										
tion Al-										
liance	0.7	0.5	0.6	0.5	0.6	0.6	0.5	0.7	0.6	1.0
Norwegian										
CP	0.3	0.2	0.1	0.1	0.3	0.6	0.1	0.8	0.2	0.0
Center	6.6	6.4	5.7	5.8	5.8	5.5	5.2	5.3	5.7	5.2
Socialst-										
Left	5.0	6.2	5.4	6.1	5.8	5.5	6.1	5.0	4.7	4.7
Liberals	3.9	4.0	3.7	4.2	4.6	4.4	3.7	2.7	3.2	3.4
Others	0.2	0.5	0.5	0.0	0.1	0.3	0.5	0.3	0.2	0.1
Total	100.1	100.0	99.9	100.0	100.1	100.0	100.1	100.0	99.9	100.1
Labor +										
Soc.Left	42.1	44.8	45.7	45.4	45.8	44.8	46.1	45.9	45.5	45.0
Conserv. +										
Christians										
+Center	47.7	42.8	42.0	43.6	42.3	44.2	43.1	43.8	43.1	44.4
Labor +										
Soc.Left +										
Liberals	46.0	48.8	49.4	49.6	50.4	49.2	49.8	48.6	48.7	48.4
Conserv. +										
Christians										
+Center +										
Progres-										
sives	52.2	49.2	48.6	49.2	48.1	49.3	48.7	49.1	49.7	50.6

The figures show how many people would vote for each party if a Storting election were held tomorrow, taken from the group of respondents who were quite sure they would vote in an election. They were also asked what party they voted for in the 1981 Storting election. The difference between the support for individual parties on this question and the actual election results in 1981 was used as a weighting factor.

The results were based on interviews with 858 eligible voters. The interviews were conducted in the period 10-25 January 1985.

Released by Gallup/NOI in Oslo on 8 February 1985.

#### Small Margin

One should note that the distance between the blocs is just under 2 percent. With such a small margin it is obvious that nothing can be taken for granted unless the conservative wave increases as election day approaches. And that is certainly not impossible. In the upcoming government election the Conservative Party is undoubtedly the one that could be especially attractive to the mobile section of the electorate.

The election strategists at Youngstorvet are unlikely to be encouraged by the Gallup figures. A figure of 40.3 percent for January compared to 40.8 the month before shows that Gro Harlem Brundtland's party is standing still--as it did during most of last year too. The opposition's assault troops have not succeeded in seizing the upper hand that they had probably anticipated after a continual political offensive.

#### Support Parties

The situation on the socialist side of the line is also characterized by slipping support for the Socialist-Left Party which is now down to 4.7 percent, the same as last month. The other support party, the Liberal Party, had 3.4 percent in January compared to 3.2 percent in December and 2.7 percent in November. In the 1981 election the Socialist-Left Party and the Liberals had the support of 5.0 and 3.9 percent of the voters respectively, while the Labor Party had the support of 37.1 percent.

The big question, of course, is whether and to what extent the Labor Party can strengthen its position as we get closer to the election. The prospects here are not very bright. After several months of launching frontal attacks on the government's policy with apparently no positive effect at all, it would be a good job if the Labor Party succeeds in gaining more sympathy for its views in the time left before the election. Experience shows that the government in power at any particular time has a clear advantage in its ability to "sway" the election with concrete political moves covering a broad spectrum. The three coalition parties are sure to know how to use this opportunity.

## Good News for Conservatives

On the nonsocialist side the January figures are especially good news for the Conservatives who have again passed the 30 percent mark. For the party organization this will be a powerful stimulant for further mobilization. The Christian People's Party confirmed its mobility with an 8.6 percent support rating compared to 8.4 percent in December. Less encouraging was the Center Party's figure of 5.2 percent. 0.5 percent lower than the previous month, but this kind of individual occurrence should not be given exaggerated importance, of course. As far as the Center Party is concerned it will probably provide more food for thought that Carl I. Hagen's party seems to have more affinity with the voters. In January the Progressive Party had a support rating of 6.2 percent compared to 6.6 percent the month before.

6578

CSO: 3639/74

POLITICAL

PORTUGAL

DECEMBER POLL ON PRESIDENTIAL CANDIDATES: MAJORITY TO NONE

Lisbon SEMANARIO in Portuguese 5 Jan 85 pp 9-10

[Article by Margarida Viegas]

[Excerpts] The unknown presidential candidate known as "none of the above" continues to enjoy a sizable lead over all the others, but among the known candidates, there is no getting around it: Lourdes Pintasilgo's lead is improving constantly, and in the NORMA-SEMANARIO poll for December, she exceeded her own previous records. But notice the big new development. Mario Soares is not only emerging unscathed from the confusion striking his bloc in November, but also, in the midst of this Christmas season, is seeing a rise to unprecedented heights in the number of interviewees wanting him in Belem Palace ["Belem" = Bethlehem]. The race is heating up as this year begins. It should be noted that the poll was conducted during the week following the prime minister's televised address.

As was true in the previous poll, NORMA presented its interviewees with two different lists of hypothetical presidential candidates. The fieldwork took place between 13 and 21 December. There was only one question: "If the election were held today and these were the candidates, which one would you vote for?" The difference between the two lists--both were arranged in alphabetical order, but for the convenience of the reader, we are publishing them here in tables and in descending order based on the number of votes received--consists of the fact that the names of Pinto Balsemao and Lucas Pires on the first list were replaced on the second list by that of Alberto Joao Jardim.

And the result is plain to see: with 13.2 percent of the simulated votes, the Madeiran leader garners more support (arithmetically) than Balsemao (7.1 percent) and Lucas Pires (5.4 percent) combined. So despite the setback since November, when he made his spectacular first appearance in a presidential poll and achieved 15.2 percent--more than Soares had ever achieved up to that time--Jardim seems to be shaping up as a somewhat convincing candidate to the right of the PS [Socialist Party]. At least he is more convincing than the former prime minister from the AD [Democratic Alliance]--despite the latter's rise in esteem between November and December--and the leader of the centrists, who

is riding a falling tide despite the motion of censure inflicted on the government.

Jardim's success also far exceeds the results obtained in previous polls by possible military candidates, among them Firmino Miguel. The only thing is that no one has yet proven that if Firmino Miguel were a candidate, he would stand to the right of the PS.

#### Headlong Rush

But Cunhal is probably not laughing at the bad luck of the CDS [Social Democratic Center Party] leader, because he is doing worse than the latter and experiencing an even more abrupt decline. His current score is not even up to 4 percent. One would think that communist voters were rushing headlong to support Pintasilgo's candidacy.

Although even the greatest caution is inadequate when interpreting these mysterious poll figures, the fact is that in the city with the strongest Communist influence among those surveyed by NORMA--Evora--Maria de Lourdes Pintasilgo received no less than 38.5 percent of the vote, in clear contrast to the 11.3 percent garnered in Vila Real.

It should also be said in passing that the resolute straightforwardness with which Evora is supporting the lady's candidacy affects the overall results in another interesting direction: the massive support given to Pintasilgo causes an exceptional drop, in that Alentejo city, in the percentage of those turning up their noses at all the candidates suggested by NORMA, and the result is a substantial drop in the corresponding percentage nationwide. As a matter of fact, over half of those polled from Coimbra northward prefer not to vote for any of the listed candidates, a fact that leaves the future open: under the second hypothesis, for example, the candidate known as "none of the above" would win the election in the first round.

#### Hidden Messages

A brief comparison of the two hypotheses suggests that the addition of Jardim to the list (in place of Balsemao and Lucas Pires) results in the loss of a few tenths of a percent for Soares and Cunhal and a gain of almost 1 percent for Pintasilgo. This seems unexplainable, and it probably does not merit any explanation other than the random margin for variation proper to this method of polling public opinion.

#### Pintasilgo With Rich and Poor

It is noted that head for head, Maria de Lourdes Pintasilgo is more popular among the ladies than among the gentlemen, pleases the young more than she does the less young, and wins the poll from Coimbra southward (including Coimbra). Moreover, she is contending exclusively with Soares for the enthusiasm of the least privileged socioeconomic class (D), which ignores all the other candidates and, for imponderable reasons, gives her the lead on the first list--as can be seen from the table--and then gives it to the prime minister on the second list--

Results of December Poll  
(in percentages)

For which of these candidates would you vote?

	Total		Sex		Age		Socioeconomic class		
	Nov.	Dec.	Male	Female	18-44	45+	A-B	C	D
First list									
Pintasilgo	22.5	25.7	22.9	28.2	29.4	22.3	24.3	27.8	
Mario Soares	12.0	17.2	21.1	13.6	18.9	15.6	18.5	17.3	8.6
Pinto Balsemao	4.2	7.1	7.4	6.9	7.8	6.5	5.2	9.1	
Lucas Pires	7.2	5.4	2.2	8.3	5.2	5.6	4.2	6.7	
Alvaro Cunhal	7.7	3.9	6.1	1.9	2.2	5.5	1.7	5.7	
None of the above	34.1	33.0	36.1	30.2	31.1	34.9	38.0	31.1	23.8
No answer	5.1	7.6	4.0	10.9	5.5	9.6	4.9	5.8	39.8

	Total		City					
	Nov.	Dec.	Coimbra	Evora	Lisbon	Porto	Vila Real	Viseu
Second list								
Pintasilgo	22.5	26.8	19.9	38.8	30.9	17.4	11.3	17.9
Mario Soares	12.4	16.5	16.4	12.5	15.9	18.1	21.4	23.0
A. Joao Jardim	15.2	13.2	4.7	19.1	16.5	6.5	10.8	0.8
Alvaro Cunhal	7.4	3.4	5.8	6.5	2.5	4.7	1.8	4.8
None of the above	37.4	32.6	46.9	13.1	23.5	53.2	53.9	52.2
No answer	5.1	7.5	6.2	9.9	10.6		0.8	1.2

Results of Previous Polls  
(in percentages)

Candidate	May	June	July	September	October
Pintasilgo	26.2	22.0	22.3	18.0	15.4
Mario Soares	13.8	12.4	10.3	8.2	14.4
Lucas Pires				6.2	9.8
Mota Pinto	8.2	8.7	3.4	5.4	6.7
Firmino Miguel	1.3	5.8	4.4	5.1	4.6
Franco Nogueira					2.2
Costa Braz		1.0		0.7	1.5
None of the above	24.9	25.9	39.0	29.3	29.4
No answer	9.1	10.1	10.7	27.0	16.3



as cannot be seen from the table, but it is true nevertheless. In any case, Pintasilgo is the favorite with the rich.

It should be explained that as usual, NORMA broke down the results for both lists by sex, age, socioeconomic class, and city, but so as not to overburden the reader and because the complete tables would not reveal much more, we chose to publish only half of each of them.

#### North for Soares

Soares is the preferred and winning candidate in Porto, Vila Real, and Viseu (but not by much, and those currently abstaining are many in number). He is more convincing to the gentlemen than to the ladies, and like Pintasilgo, less so to the old than to the young. In December 1984, for whatever reason, and judging from the poll, the upper and middle classes both preferred Pintasilgo over Soares for Belem Palace.

#### Balsemao Surprise

On the other hand, imponderable factors put Pinto Balsemao in third place (in the poll that does not include Jardim) and, by giving him 7.1 percent, place him in a better position than Mota Pinto occupied in the October poll, which is the most recent in which his name was mentioned. In any case, the deputy prime minister had been doing better until June (8.7 percent). Pinto Balsemao seems to be appreciated especially by the middle class (C).

#### Lucas Pires and Feminine Vote

But if only the women were voting, Lucas Pires rather than Balsemao would be the hypothetical candidate in third place. He would get 8.3 percent of the women's votes, compared to a meager 2.2 percent of the men's. Like Cunhal and Jardim, he looks better to older people than he does to the young. The fact that in the breakdown by city, he achieves his most favorable result in Evora (11.7 percent) and his worst in Vila Real (3.6 percent) augments the poll's short list of contenders.

#### Cunhal: no Support From Young People

Cunhal: while his nationwide percentage is not brilliant, it is especially dismal in Lisbon and Vila Real. It is less meager in Evora, however, despite Pintasilgo's success there. His popularity among women and young people is not below zero, but it is getting there--or at least, it does not compare with the support he enjoys among the masculine faithful and older people.

#### Jardim and Middle Class

And then there is Jardim occupying second place in Evora (the city where he achieved his highest percentage) and Lisbon, where he pushes Soares into third place. He is ignored in Viseu, where, as in Coimbra, he is supplanted by Cunhal. He is weak in Porto. The upper class has little esteem for him, and

the lower class ignores him. The middle class would indeed vote for him--less than for Pintasilgo, to be sure. But more would vote for him than for Soares.

Poll

NORMA, Inc., which is the Portuguese member of Gallup International, sought the truth to the best of its ability by questioning a sample of 606 individuals chosen at random (selecting homes by the "random route" method and, within those homes, choosing the individuals to be interviewed by the Kish method) from a universe made up of the Portuguese population over 18 years of age and residing in the cities of Coimbra, Evora, Lisbon, Porto, Vila Real, and Viseu. It used the technique of personal and direct interviews at the homes of the interviewees. The fieldwork took place between 13 and 21 December.

11798

CS0: 3542/94

POLITICAL

PORTUGAL

POLL SHOWS MAJORITY SUPPORTS EANES, 'EANIST' PARTY

Lisbon SEMANARIO in Portuguese 12 Jan 85 pp 9, 10

/Article by Margarida Viegas/

/Excerpts/ Shocking: according to a poll taken by the impartial newspaper, NORMA, and the no less impartial SEMARIO, 49 percent of the Portuguese adults would vote for a party which does not exist, if headed by General Eanes who, for the moment, is not in position to serve as its leader. Or, without beating about the bush: the president would come into power with a landslide victory. A diabolical temptation.

With the introduction of various subterfuges, the shock is cushioned by many "ifs." But what is the good of ignoring that the disappointment of the situation as it exists could become the big force of hope for what has not yet been tried?

The optimistic anti-Eanist will be aware of this; but if the party were not headed by General Eanes, its acceptance would be reduced to little more than half, that is, 26.1 percent. The pessimist will counter: even so, it would still exceed that obtained through a separate but simultaneous poll by the most promising of the existing parties, the PSD /Social Democratic Party/, now shown to be 25.2 percent.

In short: despite the marked recovery of the bloc parties from November to December, Eanes' nebula is emerging--under the worst conditions--as the most influential of the Portuguese parties.

More news: the CDS /Social Democratic Center Party/ is being censured by its own motion to censure the government which, as a counteractive measure, appears to have offered one more point to the APU /United People Alliance/, already gaining momentum.

## Exclusive Poll--NORMA/SEMANARIO

The message contained in the figures cannot be clearer: a majority of 58.1 percent of those polled believes that the so-called Eanist Party will be established, and a majority of 49 percent says that, if this happens, it would vote for that party if headed by Ramalho Eanes.

The fact that, this percentage drops to 26.1 with someone else heading the party gives food for dual reflection.

First: If, even with Eanes, the so-called party of the 20 percent inches its way up to 30 percent, there is no doubt that the desire of the Portuguese people for something different will become a temptation, giving rise to a shot in the dark. It is the hour of the country's saviors, with or without distinct visage.

Second: Since General Eanes as a person represents almost half of "his" party's votes, we have a more than adequate explanation of the reluctance of the present promoters to take that shot in the dark at this time. Herminio Martinho expresses it well in saying that there is no hurry. But it is not beyond the aggravating realm of possibility that the Portuguese electoral legislation will deny party organizations the right to compete in elections--including those economically self-sufficient--so that the movement per se would be maintained but its formal passage from movement to party postponed.

This holds true until the day when--it is presumed--released from his duties in Belem, Eanes would be able to take on the role of the party's foremost and undisputed leader.

### Extenuating Circumstances

Before making a detailed analysis of the results of the Eanist poll, it behooves us to note that, for various reasons, those results are not directly comparable to those of the poll on legislative elections which we are publishing simultaneously. In fact, whereas questions relating to the Eanist Party are part of a questionnaire to be answered by the multiple-choice method--yes or no, without other alternatives--party balloting took place as usual by placing the voting form in a sealed ballot box.

Moreover, specialists in public-opinion polls point out that, from a psychological viewpoint, saying that "I would vote" for the Eanes Party (if it becomes a reality) is not the same as asserting that "I would vote" for him. The conditional form of the question has a bearing on the answer.

Finally, a public-opinion sampling of this kind does not make it possible to determine whether the interviewees who "would vote" for the Eanist Party are the same as the almost 40 percent who, in the

poll on legislative elections, reject four major parties (opting for others by abstention or uncertainty) or whether, on the contrary, those potential supporters (or some of them) now make up the PS, PSD, CDS and APU electorates.

#### Country No Longer in Doubt

All things considered, Chart I shows that the country is convinced of the emergency of an Eanist Party. Curiously, of the six cities polled, only Evora, with 54.5 percent doubters and an APU majority in the last elections, indicates that doubt. Lisbon, where the PS won out in 1983 (and the PSD is now playing the role of pontiff) shows its belief in the emergency of such a party. As does Porto; and Vila Real.

And Viseu; but Viseu gives cause for reflection. Being the city which believes most strongly in the emergence of an Eanist Party--74.3 percent anticipates such a development--it is also the city where the expected emergency would receive the least support: 14.6 and 32.0 percent of the votes (Charts II and III), according to whether or not the party were headed by General Eanes.

On the other hand, in Vila Real the hypothetical adherence to the hypothetical party has its maximum expression in 54 percent for the strongest version and 30.2 percent for the weakest. There, and in the field of mundane realities, the PS is still in first place, as occurred in 1983. Now, in Viseu, where the socialists also won out at that time, it is the PSD's turn to gain supremacy.

Meanwhile, it is a hard and cold fact that, with Eanes at the helm, the Portuguese adults are showing an inclination (even though conditional) to give an absolute majority to their hosts in Lisbon, Vila Real and Evora. And, thanks to the Hondt method, the pretentious opportunity to govern alone would also not go very far in Porto and Coimbra, scarcely escaping, decidedly, in Viseu.

But Without Him...

However, without the general in command, the absolutist mirages vanish.

Even though we just explained the impossibility of a strict comparison between the figures of the two polls, it is irresistible, in placing them side by side, not to conclude that, without Eanes, Eanist would be in second place in Lisbon and Coimbra (behind the PSD), in second place also in Evora (behind the APU) and in fifth place in Viseu (behind all four existing parties). Even so, it would be in first place in Porto and Vila Real.

Finally, an analysis of the results by sex, age and socioeconomic status substantiates a curious phenomenon, already revealed in the discrimination by cities: the less those polled believe in the establishment of the Eanist Party, the more they reveal their intention of voting for it; and vice versa: the more they believe in its emergence, the less they would vote for it.

It could be argued that such subtleties are submerged in the sea of the high percentages of adherences. But they make us think.

Proportionately, more men are convinced than women. But genuinely convinced.

Let us think a moment. Proportionately, more men than women believe in the imminent emergence of such a party; however, only among women does it reach an absolute majority (52.1 percent), a figure not reached among men (45.6 percent). And without the presidential figure, the relationship remains the same.

On the other hand, although the young people as a class are more confident than the older generation (and more skeptical) that such an emergency will occur, a party led by Eanes would, nevertheless, be better accepted by those more than 45 years of age. Meanwhile, it is not less true that more experienced citizens appear to confine their confidence to the president himself; with a different leader, their support is substantially reduced' (from 52.7 percent to 19.4 percent), thus considerably lower than that indicated for the younger generation.

#### Many Percentages, Many Dreams

Finally, Eanism and socioeconomic status seem to vary in an inverse manner: the lower the social status, the greater the enthusiasm, which, in its strongest version, approaches 69.6 percent of the most underprivileged class.

According to all indications, this is the only class--the rule is repeated--which, as a whole, does not believe in the emergence of the party for which it would so willingly vote.

But, like the mystery of the pyramids, the upper and middle classes also fail to escape the fascination of that matter of the "perhaps" and "future," hypothetically connected by nonspecified bonds to the enigmatic Antonio Ramalho Eanes. Percentages of 30, 40, 50... Could it all be a dream?



Chart I--Will the "Eanist" Party Be Established? (All figures represent percentages)

	Total					Cities			Sex		Age		Socoecon. Class		
	Coimbra	Evora	Lisbon	Porto	Vila Real	Viseu			M	F	18 to 45	45+	A/B	C	D
Yes	58.1	55.5	54.9	67.1	66.8	74.3									
No	41.9	44.5	45.1	32.9	33.2	25.7									

Chart II--Would You Vote for the "Eanist" Party If Headed by Eanes? (All figures represent percentages)

	Total					Cities			Sex		Age		Socoecon. Class		
	Coimbra	Evora	Lisbon	Porto	Vila Real	Viseu			M	F	18 to 45	45+	A/B	C	D
Yes	49.0	41.9	51.9	53.0	41.0	30.2	45.6	52.1	45.0	52.7	42.6	50.6	69.6		
No	51.0	58.1	48.1	47.0	59.0	69.8	54.4	47.9	55.0	47.3	57.4	49.4	30.4		

Chart III--Would You Vote for the "Eanes" Party If Not Headed by Eanes? (All figures are in percentages)

	Total					Cities			Sex		Age		Socoecon. Class		
	Coimbra	Evora	Lisbon	Porto	Vila Real	Viseu			M	F	18 to 45	45+	A/B	C	D
Yes	26.1	25.4	22.8	26.0	27.7	32.7	30.1	33.4	19.4	27.5	24.9	30.5			
No	73.9	74.6	77.2	74.0	72.3	67.3	69.9	66.6	80.6	72.5	75.1	69.5			

POLITICAL

PORTUGAL

## COSTA GOMES APPROVES OF PINTASILGO CANDIDACY

### New Political Alignments

Lisbon SEMANARIO in Portuguese 5 Jan 85 pp 32-33

[Interview with Marshal Costa Gomes, former president of the republic; date and place not specified]

[Text] Marshal Costa Gomes--who became president of the republic when the Junta of National Salvation chose him to succeed Spínola and held that office until the first elections provided Ramalho Eanes as his successor--organized his text below in the form of a systematic response to the questionnaire prepared by us. We are reproducing it here in paragraph form with his answers. In addition to regarding Maria de Lourdes Pintasilgo as having a suitable profile as a candidate, Costa Gomes believes that the upcoming presidential election may open up prospects for a new framework of alignments in terms of party politics.

Question: What meaning do you attach to the upcoming presidential election: will it be simply the carrying out of a normal act of democracy or an opportunity for clarification in terms of party politics and/or the start of a new phase for the system?

If the latter, then the question is: what clarification and what new phase?

Answer: I feel that the upcoming presidential election will constitute basically the carrying out of a normal act of democracy and one conforming to what is stipulated in the country's basic law.

I also think that it may open up prospects for a new framework of alignments in terms of party politics, since the support that will shape the candidacies may reveal--as I think it will--new options as regards alliances among the existing party-political forces and with new political groups that may be established between now and then.

Question: In view of the reduced powers of the president resulting from the constitutional revision, will the choice of a specific person as president of

the republic be important in itself or because of the political significance that such a choice will have?

Answer: The choice of a specific candidate for president of the republic always represents a given option of profound political significance on the part of the parties or groups of citizens presenting that candidate to the voters.

It is clear that in terms of the voters as a whole, empathy--what they know about the candidate as a public figure and as an individual--is not a matter of indifference. In my opinion, the disdain with which certain political forces sometimes look upon the "affective" relationship that always exists between public figures and the citizens represents a gross error on their part.

Question: In your opinion, should the center bloc continue to govern until the presidential election?

And if not, what kind of government should be in office at this moment?

Answer: In my opinion, the government has not yet demonstrated the indispensable minimum of coherence, stability, and effectiveness in government action.

However, I feel that holding early general elections would not be the most appropriate way to solve the serious problems facing the country and the Portuguese unless it were the last resort after all the institutional possibilities (particularly in the area of possible majorities that might emerge from the present makeup of the Assembly of the Republic) had been exhausted.

That being the case, I can think of two possibilities for government besides the current one--which, as I said, lacks credibility--that might regain a measure of confidence and commitment among the people and avoid the solution consisting of early general elections.

They are the following:

The first is a remote and unlikely possibility. It would involve continuation of the current majority constituted by the center bloc, with the coalition carrying out a thoroughgoing cabinet reshuffle and choosing to make a substantial change in the government program.

The second is a possibility I consider more credible. It would consist of forming a new government with a different policy and one comprising all those political forces represented in the Assembly of the Republic that are interested in a joint plan for the country's recovery.

In short, it would be a government of national coalition.

Question: Should the presidential election be followed (or preceded) by early legislative elections?

Answer: As I said before, I regard the idea of early legislative elections preceding the presidential election as desirable if--and only if--all possible

solutions within the framework of the present makeup of the Assembly of the Republic are unworkable and if they follow an explicit breakup of the so-called center bloc.

Question: Which candidate--or profile of a candidate--do you support or would you like to have the opportunity to support? In your opinion, should the next president of the republic be a civilian or a military man?

Answer: There is something much more important than whether he is a military man or a civilian. The important thing about a candidate for president of the republic is his profile: his image among the citizen voters and what they know about him.

As far as the candidate's profile is concerned, I believe it is essential that it be based on the following premises: he must be above the parties, have recognized moral suitability, be closely familiar with Portuguese reality--with the way our people feel and act--have international recognition and, consequently, be thoroughly familiar with the major issues of world politics so as to express Portugal's interests appropriately in the context of the world's nations, and, lastly, be capable of resisting the pressures which political and economic entities or groups, both foreign and domestic, may exert and which are liable to compromise his actions as the nation's supreme representative and guarantor of the Constitution of the Republic and the democratic system.

Question: Under what conditions do you feel that Mario Soares would have a chance of being elected president of the republic? In other words, do you believe that in the second round, he would find it easier to beat a candidate on his left or on his right?

Answer: I think that Mario Soares does not fit the ideal profile for a candidate. I therefore feel that if he goes ahead with his candidacy, he is not likely to reach the second round.

If he does reach the second round--and that will depend largely on the quality of the other candidates--he is not likely to beat the candidate on his left.

Question: Let us suppose that the first round is a race between Soares, a candidate from the Eanist area, and another candidate whose support is to the right of the PS [Socialist Party]. Who would go on to the second round?

Answer: Sticking to what I said before, I feel that in that case, those competing in the second round would be the candidate from the so-called Eanist area and--if he is a strong candidate--the candidate whose support is to the right of the PS.

Question: How do you interpret the fact that Maria de Lourdes Pintasilgo regularly takes first place in polls concerned with the presidential election?

Answer: Maria de Lourdes Pintasilgo not only fits the profile that I consider to be the one the Portuguese expect in a candidate for the top office in the

nation--although she does not have a monopoly on it--but also, and this is extremely important, she is held in affection by the Portuguese people.

#### Costa Gomes Decision Appraised

Lisbon SEMANARIO in Portuguese 5 Jan 85 p 8

[Commentary by Jose Miguel Judice: "The Shove That Came in From the Cold"]

[Text] Marshal Costa Gomes is probably the most controversial Portuguese public figure alive, and probably few people arouse as much hatred in Portuguese society. To another part of the population--which I believe is strongly in the minority--Costa Gomes is, on the contrary, the symbol of attachment to the ideals of 25 April 1974, a skillful politician who avoided political errors during the revolution, and an experienced negotiator who managed to prevent even worse tensions 9 years ago. What no one doubts, however, is his intelligence and his importance in structures that are part of the Soviet Union's arsenal for global action, it being of little importance in this connection whether or not he is a Communist or even whether he is what he is in full awareness or is in that gray zone where it is difficult to distinguish the useful innocent from the "blind man" who does not want to see.

Listening to what Marshal Costa Gomes has to say about the presidential election is journalistically justified from every point of view. A personality with his characteristics is not imprudent, is not hasty, is not a romantic, and does nothing without an ulterior motive. His implicit but undeniable support for Maria de Lourdes Pintasilgo's candidacy is an outstanding event and even, in my opinion, the most important political fact of recent months as far as the presidential issue is concerned.

It seems obvious, on the other hand, that the PCP has not been cuddling the possibility in question with special delight, just as it also seems reasonable to assert that Marxism or Sovietism is not a part of the former prime minister's ideological nebula. So why the support by Costa Gomes, which was expressed in a studied text supplied to a newspaper that manifestly does not navigate in his waters?

The first possible explanation is that there is a Machiavellian maneuver underway in which Costa Gomes is participating, consciously or not, as an agent. As far as Soviet imperialism is concerned, Maria de Lourdes Pintasilgo's candidacy would be unsuitable on two counts. First, the engineer is not a Communist, but she may lastingly disturb the PCP's hegemony over Portugal's political and cultural Left, and in a period of conflict, nothing could be worse than the disorganization of one's armies. Second, the PCP wants to influence the new president, and supporting a candidate who presents no such likelihood means running the risk of being isolated after 10 years of good relations.

Support for her candidacy by a controversial personality such as Costa Gomes, announced at an early stage and before the start of the campaign, would link the candidate too closely to international communism and thereby reduce the stability of her support. According to this theory, a shady international

organization, full of wickedness and greatly interested in our geographical rectangle, would thus be trying to add a potential strategic danger to the omelet. Support by Costa Gomes would therefore be a kind of leper's kiss, acceptance of which could only be a charitable gesture in keeping with the nobility of the candidate's soul. But it would be fatal to her.

It is an ingenious hypothesis and an interesting idea for a political fiction novel, but logically improbable, even from the standpoint of someone who tends--as I do not--to regard the conspiracy theory as the chief explanation of historical duty. In the first place, and I believe this should be reason enough, no one in politics considers himself a leper. Costa Gomes is too important to lend himself to lesser services of this kind, which would require that he accept in himself a shadiness of character that he naturally rejects. In the second place, and despite everything, the KGB has other things to worry about besides Portugal. In the third place, success in an operation of this kind, carried out by such an outstanding figure as Costa Gomes, would demonstrate the compromising nature of any contact with the PCP or anyone close to it. If the Soviet Union eliminated Maria de Lourdes Pintasilgo in this manner, it would be strengthening for a long time to come the widespread conviction that communism has pariah status in Portugal, and let us agree that in the current international situation, that would be inviting trouble.

The second hypothesis is much simpler and less sophisticated, but realistic: an intelligent man was purely and simply noting a combination of facts which, when taken together, justify the decision to support Pintasilgo--and the sooner the better. Those facts are the following in particular: Maria de Lourdes Pintasilgo will be a candidate whether the leaders of the official Left like it or not. No figure to the left of the PS is currently arousing more backing, support, or hope. She is making inroads among the PCP's voters without having to negotiate with Cunhal overall. There is no reliable political figure who can even hope to achieve results close to those within Pintasilgo's reach. A strong leftist candidate is of no use unless he reaches the second round, since if he gets that far, he will be useful on the strategic level (if he faces a rightwing candidate in the second round, he will destroy Soares, and if he faces Soares, Soares will be pushed even farther to the right).

Noting those facts--and a few others which are either related to them or flow from them--leads one to this conclusion, which is as old as the world: if you can't beat them, join them. The Communists and their "fellow travelers" cannot generate a credible candidate to oppose Pintasilgo and Soares because no one would be suitable, and Octavio Pato is fed up with sacrificing himself. That being the case, they will probably end up being forced to back her candidacy at a later stage and at the wrong moment--at a time when her electoral credibility in the eyes of public opinion will already have been won and when, perhaps, public opinion will see her as a candidate having no ties with the Communists. This was useful in 1980, but it will be harmful in 1985 for reasons that seem obvious.

If that is the way things are, and frankly, it does not seem to me that they can be any different, then the most intelligent move is to give immediate and formal support through someone who has sufficient prestige in the communist



political area without at the same time being a part of the party apparatus. From this we can infer right away that for broad segments of public opinion, and for better or for worse, Maria de Lourdes Pintasilgo is going to become Costa Gomes' candidate, but the PCP will not have to run the risk of giving immediate formal support. When the party does give its support, it will be doing so at a later stage but within the line of logical continuity from which it will be possible to extract political dividends.

Obviously, there is an element of the boobytrap and a dose of duplicity in all this. Pintasilgo will be tolerable to the PCP only if she appears to be more of a communist candidate than Eanes: a 1985 version of "Vasco Goncalves in skirts." This kind of support leaves the candidate with no choice except formal rejection--which would make it possible to cut off support by the Communists while there is still time--or tacit acceptance, in which case the link is established. But if her candidacy is compromised immediately, it will happen because she rejects communist votes, not because she rejects the Communists. The difference is one of tremendous political importance in the medium term.

Another possibility exists. In this country of constant "happenings," it may happen that the support in question will be forgotten within a week and buried in the troubled silence of many and varied persons overwhelmed by some minor news item. It would be a pity if that happened. I say this not out of some kind of Machiavellian spirit--quite the contrary--but with all sincerity. It is important that once and for all, there should start to be clarity in Portuguese political life and that we should all vote a year from now with the obligation to know what we are doing. Anything that contributes to a clarification of Portuguese political life is welcome. And perhaps, probably without being completely aware of it, Costa Gomes has now rendered an outstanding service to the Portuguese political system after having--in my certainly fallible and prejudiced opinion--rendered it highly detrimental services.

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CSO: 3542/94

POLITICAL

PORTUGAL

# CHOICE OF MILITARY CANDIDATE FOR PRESIDENCY

Lisbon EXPRESSO in Portuguese 2 Feb 85 p 3

[Article by Jose Antonio Saraiva: "Firmino Miguel or Lemos Ferreira?"]

[Text] If the issues on the left--where Pintasilgo appears to be the winner--are clarified, and on the center--where Soares seems to be assured of victory--are settled, this year's most important question remains to be seen: who will be the candidate of the right, and if the right will succeed in choosing a single candidate.

At present, the problem can be defined thus: if the PSD decides to support a military candidate, the CDS will also support him; if, on the contrary, the PSD presents a civilian candidate, the CDS will attempt to launch its own candidacy--and in this case, the right's probabilities to elect a candidate will be severely restricted.

However, let us analyze the hypothesis that interests us and that has some chances of success: that of a military candidacy.

From the look of things, if the social democrats settle on it, their doubts will be limited to the choice between two names: Firmino Miguel and Lemos Ferreira.

Both have pros and cons.

Firmino Miguel's election will certainly be easier--because this general, believed to be a "moderate," could garner votes in certain more conservative areas of the Socialist Party's electorate; but, in supporting Firmino, the PSD would be taking a risk; cautious if not timorous, this candidate could become in the future an obstacle to the deep changes demanded by some sectors of the right.

To fight against Eanes for years, only to replace him with a man who is not substantially different from the present president of the republic is certainly not an exalting undertaking for the Portuguese right.

From this point of view, the other alternative would be more enticing.

More daring than Firmino Miguel, Lemos Ferreira would certainly be more open to radical transformations in the political and economic systems.

But, especially because Lemos Ferreira is a "hardliner," his candidacy creates a different kind of problem: by driving away the moderate electorate, the present chief of the Armed Forces General Staff could easily transform himself into a new Soares Carneiro, thus seriously risking defeat.

If Soares Carneiro was unable, even with Sa Carneiro's and Freitas do Amaral's support, to reach the second round, how could Lemos Ferreira succeed now, with the support of Mota Pinto and Lucas Pires?

As can be seen, the choice is not an easy one.

The PSD is faced with a dilemma.

Which can be summarized thus: the party is probably condemned to choose between a good candidate who may be a bad president (according to its own point of view, of course), and a good president who may be a bad candidate.

CSO: 3542/114

POLITICAL

PORTUGAL

# POSSIBLE CLOSING OF PRESIDENTIAL ADVISORY INSTITUTE

## Closing Reported

Lisbon EXPRESSO in Portuguese 19 Jan 85 pp 1,24

/Excerpts/ "The government intends in the very near future to consider the possibility of closing the Damiao de Gois Institute, an organization which provides technical advice to the president of the republic," highly placed ministerial sources told EXPRESSO. As justification for this measure, it is further observed that the institute "is not presently serving to advise the president of the republic but rather to promote a presidential candidacy with public funds"--an allusion to the candidacy of Maria de Lourdes Pintasilgo.

At the very beginning of its term, the government's executive branch created controversy with regard to this department when it decided to deny it the premises which it is still occupying, at Rua da Imprensa (behind the prime minister's official residence), having considered those premises essential to the services of Sao Bento Palace. At that time the government was planning to find other accommodations for the institute, but until now this has not happened.

Damiao de Gois Institute (IDG) was founded in December 1979 through a decree issued by the Maria de Lourdes Pintasilgo government; its purpose was to "provide technical advice to the president of the republic" through studies and analyses of the economic, social and political sectors. However, its activities did not get underway until November 1981, being, since that time, under the direction of Major Sousa e Castro, professed supporter of the candidacy of the former prime minister at the next presidential elections. Maintaining a relatively limited technical staff, the IDG is financially self-sufficient and assigns some of its work to other organizations with similar objectives.

If carried out by the government, the IDG's elimination could be one more log on the fire which was recently rekindled between Sao Bento and Belem and which, next Monday, will give rise to a new episode at a meeting of the State Council.

Closing Denied

Lisbon DIARIO DE NOTICIAS in Portuguese 21 Jan 85 p 20

/Text/ Yesterday Major Sousa e Castro, president of Damiao de Gois Institute, said that there was no truth to the statement published by the weekly newspaper EXPRESSO to the effect that the government was considering the elimination of that organization. However, the NP /Portuguese News Agency/ claims to have confirmed the information insued by the newspaper through a government source not indicated by the agency.

Sousa e Castro termed the EXPRESSO report "unethical and ill-intentioned" and called attention to references to him which were "not in keeping with reality"; he also noted that the institute was not contacted to ascertain the nature of its activities.

The newspaper claimed to have been informed by ministerial sources that the IDG "is no longer serving to advise the president of the republic but rather to promote a presidential candidacy with public funds," an illusion to the intiatives of Maria de Lourdes Pintasilgo, the same individual who, as head of the government, had founded that institute (in 1979) for the express purpose of "technically advising the president of the republic."

Sousa e Castro considered it "strange" that he had not been contacted by the newspaper, which cited, among other endeavors of the institute, a forecast relating to the next presidential elections, indicating candidates and their respective political possibilities. EXPRESSO named Sousa e Castro as "a professed supporter of the candidacy of the former prime minister."

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CSO: 3542/97

POLITICAL

PORTUGAL

#### CDS METHODS RAPPED FOR BENEFITING COALITION

Lisbon A TARDE in Portuguese 27 Dec 84 p 6

[Text] Let's be frank: the CDS [Social Democratic Center Party] cannot afford to run the risk of having its language confused with that of the PC [Communist Party].

We do not suspect the government of having any sympathies for the "center block." We have repeatedly said that in a situation of this sort, cooked up by the socialists and social democrats, the centrists would have a golden opportunity to attempt to polarize the national democratic opposition.

There are large groups of the Portuguese population which do not identify with the CDS, but could without much difficulty be won over by it, in the event the centrists should decide to oppose the PS-PSD [Socialist-Social Democratic Parties] Alliance, which is not very likely to attract them.

Now, either we are deceiving ourselves or this opportunity is about to be wasted, with very serious consequences for the country, not to mention the obvious detrimental effects it would have on the CDS itself. In truth, if Lucas Pires' party persists with the type of political speeches it has been making--such as the one introducing its "air time" on television yesterday evening--which could easily have come from the "mouth" of the PC--it is doing a disservice to itself and providing excellent assistance (involuntarily, one presumes of course) to the parties it is supposed to be opposing.

There is nothing better for the interests of the PS-PSD duo than to create in the minds of the public disaffected from the PC the impression of a vacuum in the rightist opposition. The "sloganistic" radicalism used by the CDS only contributed to this effect.

Obviously we do not pretend to set forth the oppositionist strategy to be followed by the CDS--this would be foolish. A commentator must "work" on the basis of reality (or what he considers to be reality, but that is another issue...) and not on the basis of his own construction of reality. But he should certainly not be faulted for stating his displeasure with these "confusions"...



POLITICAL

PORTUGAL

#### POSSIBLE GDR TECHNOLOGICAL COOPERATION

Lisbon 0 JORNAL in Portuguese 28 Dec 84-3 Jan 85 p 36

[Text] Agencies in Portugal and the GDR have been discussing use of East German technology for treating coal from the Douro basin, according to a report to 0 JORNAL from a reliable source. These discussions have not yet reached a conclusion, but our source said that there are possibilities that cooperation in this field will be arranged.

The GDR has a great deal of experience and advanced technology in coal. In Portugal, the Ministry of Industry seems to be counting on developing its coal. "We have a program for developing the Douro basin and, although it is not very rich, we can mine it by using new technologies," Industry Minister Veiga Simao said last July in Coimbra.

Possible approval of a technological cooperation project with the GDR would be something new, not only in economic terms but also in political ones. Relations with Eastern block countries have undergone a considerable cooling-off since the end of 1979, the time of the Soviet military invasion of Afghanistan.

Despite our efforts, we were unable to obtain any further information on this matter from the government or the administration.

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CSO: 3642/87

POLITICAL

PORTUGAL

## DIVISIONS TROUBLE LISBON MUSLIM COMMUNITY

### Alleged Libyan Financing

Lisbon EXPRESSO in Portuguese 26 Jan 85 p 6

[Excerpts] The president of the Muslim community of Lisbon, Suleiman Valy Mamede, assured our newspaper this week that he will resign right after the inauguration of the Lisbon mosque, scheduled for 29 March. He announced that Saudi Arabia has just granted sufficient financing to complete construction of this mosque.

Valy Mamede, president of the Muslim community for 17 years, is reported by the opposing [electoral] list headed by Mussa Omar to have resorted to "strange" legal interpretations in order to block elections, and is accused of "not relinquishing power because of his obsession with the mosque."

It should be noted that Valy Mamede maintains close relations with two countries without diplomatic representation in Portugal, Saudi Arabia and Kuwait. On the other hand, circles close to Mamede have accused the opposing list of being close to Libya, something that Mussa Omer denies, stating that "the ALQALAM magazine that is distributed by the community in the mosque is financed by Libya."

Meanwhile, Mamede states that "he is friendly with all Arab regimes," and justifies this fact by saying that "I have published on my own 22 works on Arabic and Islamic culture."

"Portuguese Muslims don't want Valy Mamede any more. It is democratically impossible to accept the same person for 17 years," Mussa Omar states; he has been the leader of the opposition since elections were postponed in 1984. During the second attempt to elect new administrative structures last July, the president of the general assembly and of the electoral committee, Karim Bouabdellah--"an Arab who knows nothing about Portuguese laws," according to Mussa Omar--did not provide the right information on the timetable for the electoral lists, and elections were postponed until 20 January, at which time new "irregularities" reportedly occurred.

Mussa Omar insists that "the president is obsessed by the mosque." Omar is a well-known personality in the capital's Muslim circles because of his customary medical assistance to employees of various embassies.

It should be noted that both Suleiman Valy Mamede and Mussa Omar are concerned with the possibility that the present polemics will foment the disintegration of the Lisbon Muslim Community.

#### Alleged Leftist Influence

Lisbon O DIABO in Portuguese 29 Jan 85 p 7

[Text] Speaking of Arabs: Valy Mamede is very lucky. Here come some dollars from Saudi Arabia to complete the construction of the Lisbon mosque, something that will surely guarantee him a victory during the much talked-about elections in the Lisbon Muslim community. especially because the opposing electoral list (which includes Maoists, Shiites and other leftists) has been so far unable to persuade Iran to open the purse strings, propaganda material being the only thing this country has provided.

I really don't know how Valy operates. Just look: A Muslim, he succeeded in signing a protocol with Catholic University and was decorated by the pope. It is difficult to understand, isn't it? Is this ecumenism?

Now, with the dollars from Saudi Arabia, let's see if the elections will be carried out. It's a fact that they have taken place three times already. that the B list has always lost and that they have always been annulled.

CSO: 3542/113

POLITICAL

SWEDEN

# POLITICAL DEBATE OVER VIETNAM AID

## Nonsocialists Would End Aid

Stockholm DAGENS NYHETER in Swedish 30 Jan 85 p 8

[Article by Kaa Eneberg: "Political Struggle About Aid to Vietnam"]

[Text] A plan for the gradual elimination of the Swedish aid to Vietnam will in all likelihood be included even in the budget proposal for the next fiscal year, if the nonsocialists win the election this fall.

This is what the Liberal Party's foreign aid expert Jan-Erik Wikstrom tells DAGENS NYHETER.

Only a small group of Social Democrats with Hans Goran Franck at the head and the Left Party-Communists (VPK) oppose the government's desire to cut back the aid to Vietnam. In this year's torrent of bills all of the nonsocialist parties have demanded a gradual abolition of support for Vietnam with the explanation that the Vietnamese have invaded and wage war against neighboring Cambodia.

To the Social Democrats who criticized the nonsocialist governments' cutbacks of this aid, the Vietnam aid, above all, is a sensitive chapter. A large group including among others MP Stig Alemyr, a member of the relief organization Sida's executive board, is in favor of gradual reduction.

The Conservatives have firmly demanded of the nonsocialists that they endorse a halt to the flow of funds to Vietnam. The Liberal Party has submitted a bill for cutbacks under organized forms. The Center Party's Sture Korpas, also a member of the Sida board, submits the concrete proposal for an abolition plan in next year's budget proposal. Either Parliament can charge the sitting government with working out such a plan, or the nonsocialists can submit one by themselves in the event of an election victory.

All of the nonsocialist parties also want to cut aid to Vietnam even this year.

Hans Goran Franck, who has succeeded in getting four Social Democratic MP's to back his appeal for Vietnam, points out that a cutback in the aid will lead to an isolation of Vietnam and increased dependence on East-bloc states, which is not desirable.

Since the Social Democratic introducers of the bill can scarcely act against the government proposal of only 300 million kronor to Vietnam, it is instead proposed that the government should augment it and be generous with emergency relief to the country, which is fighting against major difficulties. The previous amount of aid was 365 million kronor.

The VPK says in its bill that the government's cutback of Vietnam aid is "a concession to the forces, inside and outside Sweden, who want to punish Vietnam."

The VPK is also the only party demanding that Cuba should again be included among the recipients of aid. Cuba was excluded in 1975 in order to stress the Cuban involvement with soldiers in Angola.

#### Foreign Minister Attacked in Riksdag

Stockholm DAGENS NYHETER in Swedish 1 Feb 85 p 8

[Article by Kaa Eneberg: "Bodstrom Asked to Comment in Parliament; Savage Vietnam Debate"]

[Text] It was in a savage tone and atmosphere that Foreign Minister Lennart Bodstrom on Thursday had to endure his first parliamentary debate about the aid to Vietnam, after his return from Southeast Asia.

"Just like a declaration of war," was the description of Liberal Party MP Jan-Erik Wikstrom of Bodstrom's reply to the chamber. It consisted of 10 typewritten lines compiled by an expert.

Also enraged by the debate and Bodstrom's behavior was Center Party MP Sture Korpas. He told DAGENS NYHETER after the debate:

"I was rendered speechless by the fact that Bodstrom refused to answer our questions. After all, throughout the years I have had long discussions and found him to be a conciliatory man. I just don't understand this."

The debate was to center on the fact that the administration has used 70 million kronor of the Vietnam aid, a total of 365 million kronor, for paying the country's debts to Swedish companies, as some sort of import subsidy.

Not Negative

"This is the first time this has been done, even though Sida opposed it," Wikstrom said during the debate.

Bodstrom replied that he had not interpreted Sida's answer as negative. He also referred to the circumstance that both Korpas and Wikstrom are members of Sida's executive board. The 70 million were mentioned in the annual report, Bodstrom said.

The current Vietnam debate was not mentioned on Thursday, but both Wikstrom and Korpas tell DAGENS NYHETER that as members of Sida's board they will demand that the forced recruitment of labor to the forest project in Bai Bang should cease.

This will become the hot issue in March when the executive board takes a stand on the material available before the new 2-year agreement to be signed. If Sweden does not receive any guarantees concerning the labor, the nonsocialists will oppose a new agreement.

It is not only the administration's actions regarding Vietnam which have angered the opposition. Both Korpas and Wikstrom find it unsatisfactory that they were not informed of the forced recruitment of women to the forest work until Sida held a press conference on the report. Korpas knew nothing of the matter until he read the morning paper on Tuesday.

#### Gradual Cutback

Both the Center Party and the Liberal Party are intent on a gradual cutback of aid to Vietnam under organized forms. The Conservatives demand an immediate abolition.

"It is not only the Vietnamese invasion of Cambodia which justifies a halt. New factors such as forced labor and the lack of forest are making our participation difficult," Korpas says to DAGENS NYHETER.

Korpas recounts that in January 1974 he participated in his first meeting of the board of Sida, when it made the decision for the entire Bai Bang project.

"At that time I thought I could not vote against in order not to disavow my predecessor on the board, but I greatly questioned the decision," he says.

"And then the Sida chief at that time, Ernst Michanek, explained that in fact no one liked the project but that it had already been decided on the political level."

#### Aid Program Reevaluated

Stockholm DAGENS NYHETER in Swedish 2 Feb 85 p 8

[Article by Kaa Eneberg: "Support for Vietnam Divides Parliament"]

[Text] The Swedish government will pose tough demands on Vietnam for improved working conditions for the female forest workers in Bai Bang. A reorganization of the system will be made a condition for continued contributions to the relief project.

This was the decision given by Foreign Minister Lennart Bodstrom after a 2-hour debate on Swedish aid to Vietnam in Parliament on Monday.

The debate focused on the controversial report from the relief organization Sida, in which the difficult working conditions of the female labor force were described. The report has contributed to the fact that the nonsocialist



parties in Parliament are not forming a front for abolition of support for Vietnam.

All of the nonsocialist representatives also used the term slave labor for the conditions which reign primarily at the forest project in connection with the Bai Bang paper mill.

Bodstrom pointed out that the authors of the report themselves described the term slave labor as incorrect. He said that it is more important for Sida to act in order to accomplish the recommendations for improvements to the project proposed by the authors than for Sweden's parliament to be quarreling.

Among the proposals made by Bodstrom which can be implemented are an expanded piecework system, 5-year contracts instead of lifetime contracts, annual vacations, wages on which the workers can live, as well as improved social conditions regarding child care, housing, clothes etc.

Conservative Margareta af Ugglas, who has included criticism primarily of Bai Bang in her parliamentary work for the last 10 years, declared in an emotional address, that "Sweden's parliament cannot pass funds that go for slave labor." Center Party member Par Granstedt called Bodstrom's criticism of Vietnam--both the occupation of Cambodia and the internal conditions of the country--vague and cold-hearted.

Bodstrom assured him that during his recent visit he had had tough criticism of both the occupation of the neighboring country and the poor working conditions, aimed both at the Vietnamese government leadership and to the leaders of Bai Bang.

His fellow party member Hans Goran Franck gave evidence that Amnesty International has reported progress in the work for political prisoners in Vietnam thanks to the efforts of the Swedish government.

Franck also pleaded for increase relief efforts for Vietnam, instead of the cutback introduced in the administration's budget proposal.

This was also what Left Party-Communist vice chairman Bertil Mabrink did, as he expressed great indignation over what he called a broad nonsocialist campaign against Vietnam.

"An election is again approaching, and then it is suitable to use a poor country as a punching bag in a Swedish election campaign," Mabrink said and called for the same strict criteria for other countries receiving aid.

'Silence'

"What do you say about the tremendous attacks on the female Tamil tea pickers in Sri Lanka, which we support, about 16 million children doing forced labor up to 15 hours a day in India, also a recipient of aid, or about oppression of

women in Bangladesh or last year's massacre in Kenya? On that you keep quiet."

"The debate concerns Vietnam and then we stick to that country without roaming around the world," replied Liberal Rune Angstrom, who was of the opinion that it is time to start cutting back aid to Vietnam. This can take place in 2 years, Angstrom believed.

"In the choice between the carrot and the whip we regard the carrot as the most valuable means to accomplish improvements. That could not have a disturbing effect on the Swedish desire for giving aid," Bodstrom said.

He did point out, however, that this relief item had been eliminated from this year's budget and that the cutback could continue "at the rate Vietnam improves its own production capability."

Ten years after independence Vietnam is still one of the world's poorest nations. The country is financially dependent on the Soviet Union, has few contacts with the West and has never received the wartime reparations in the amount of billions from the United States which had been negotiated.

"Sweden is serving as a window for Vietnam toward the Western world. Our policy serves humanitarian purposes but also to create peace for a people which has experienced horrible abuses, difficult to describe," Bodstrom said.

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POLITICAL

SWEDEN

# EUROCOMMUNIST, LENINIST CONTEST AT VPK CONGRESS

## Pro-Moscow Party's Organ Criticizes

Stockholm NORRSKENSFLAMMAN in Swedish 7 Jan 85 p 5

[Article by Kalle Svensson]

[Excerpts] Stockholm--Members of the VPK [Left Party-Communists] still have the right to work within the Swedish Peace Committee, but they cannot count on any support from party headquarters--at least not when it comes to developing that committee.

On the other hand, the VPK leadership will be glad to help party members who want to change the Swedish Peace Committee in accordance with the principles governing the VPK's international posture.

It was again laid down at the 27th congress that those principles include the following, among others:

1. The attitude toward the Swedish Peace Committee is not uncritical. According to the congress, it is "urgent to change" the committee's ideas concerning, for example, the Soviet Union's will for peace, the neutral attitude toward the events in Afghanistan, and the fact that representatives of the Polish Government are now participating in the World Peace Council's meetings.
2. The attitude toward counterrevolutionary groups such as Charter 77 in Czechoslovakia and Solidarity in Poland remains unchanged--that is, favorable.
3. The contacts currently being maintained by the VPK with the communist parties in the socialist countries will continue.

Outgoing party secretary Bo Hammar summed up the debate and the party line by saying: "But those ties are not necessarily 'fraternal.' We do not need to treat those parties as fraternal parties simply because we have contacts with them."

### "Break With Soviet Union"

As expected, the debate at the VPK congress concerning peace and international issues was lengthy and not entirely free of the elements of deep antagonisms.

A number of motions to the effect that the VPK must sever all ties with the communist parties in the socialist countries, withdraw from the Swedish Peace Committee, demand the withdrawal of Soviet troops from Afghanistan, support the Eritrean armed resistance movements fighting the Addis Ababa government, and increase and improve its contacts now with Solidarity, Charter 77, and other groups were rejected by the party board.

#### Simple Explanation

The explanation was simple: the VPK already espouses all those ideas. According to the party board, there was no reason to further emphasize the fact.

But the proposers of the motions, represented chiefly by the always-active anticommunists from the VPK in Lund, persisted. The greatest applause went, however, to Kjell Hansson of Arvidsjaur when he made this brilliant remark:

"As far as the debate (editor's note: concerning, for example, the attitude toward the CPSU) is concerned, it is certainly odd that the APK [Workers' Communist Party] is not regarded as a fraternal party, seeing that the APK holds exactly the same views as the other parties that we persist in calling fraternal parties."

Hansson was supported by approximately one-third of the 275 delegates to the congress in the voting, from which the party board's line emerged the winner.

#### Fewer Workers in VPK

The percentage of workers in the VPK is declining.

This was shown in no uncertain terms by the 27th party congress, which ended on Sunday.

Only 44 percent of the 275 delegates were also members of the LO [Swedish Federation of Trade Unions]. That is probably the lowest figure ever in Sweden for the number of LO members at a congress held by a party which, in name at least, is communist.

The number of LO members among the delegates to the party congress was lower than in previous congresses. The decline since 1978 exceeds 20 percent.

Party activity in the workplace was also the subject of a lengthy introduction by union secretary Bror Engstrom.

Engstrom pointed out: "The workplaces are the center of class struggle."

#### Relationship

But he was obviously pessimistic concerning the VPK's future precisely in the workplaces--at least if the declining number of workers at the congresses is seen as related to such activity:

"No communist party has ever achieved lasting and growing influence without activity in the workplace."

The congress reiterated the decisions from the 1981 congress concerning increased activity in the workplace.

But the report by the credentials committee shows that it will probably be quite difficult to achieve those highly irresolute goals.

#### New Delegates

As the number of workers in the VPK decreases, their places are being taken by members who in many cases have extensive academic studies behind them. They are members who would rather spend their time combating the anti-imperialist peace movement or the socialist countries than devote themselves to issues involving the interests of the working class.

The fact that nearly 65 percent of the delegates were attending their first party congress and that almost 75 percent of the delegates joined the party in recent years--and are therefore not rooted in communist traditions--is one more nail in the coffin of VPK activity in the workplace. Because out of that 65 percent--177 delegates--not many are to be found in the workplaces.

#### Split

Peter Bylund of the VPK in Jarfalla was supported by about that many. With a striking pigtail flapping on his back, Bylund praised the party leadership for its view that VPK members ought to be active in all peace organizations:

"The Swedish Peace Committee holds views that the VPK opposes in principle. One alternative is the Swedish Peace and Arbitration Association, which is in fact the leader in the peace movement."

But in Jarfalla, just outside Stockholm, quite a few members of the VPK and the KU [Communist Youth] are members of the Swedish Peace Committee. For Bylund, who now has the party leadership behind him, it remains to go back to his suburban municipality and start working with the Swedish Peace and Arbitration Association.

On several occasions, Swedish Peace Committee activity in Jarfalla--initiated in some instances by KU members--has been openly opposed by that association.

That is as good a sign as any of the split and the deep antagonisms that now prevail within the VPK on the peace issue.

#### VPK Chairman Werner Comments

Stockholm DAGENS NYHETER in Swedish 6 Jan 85 p 8

[Report on interview with VPK Chairman Lars Werner, by Kaa Eneberg, following the 27th VPK Congress]

[Text] "Yes, we certainly feel that we have been to a VPK congress. It is true that there were tussles, but our congresses are supposed to be like that. I can do without those 'hallelujah congresses' with their total outward unity that were required back in the old days under Hilding Håberg--in the early 1950's."

Lars Werner, who was reelected for his fourth 3-year term as leader of the Left Party-Communists, says that in general, he is pleased with the work of the congress despite the pungent criticism that was directed against the party primarily because of its policy of cooperation with the Social Democrats:

"The debate was at a very high level throughout. It made us the most open political party outwardly that I can think of. By rights, the other parties ought to envy that openness."

#### Keenly Aware

Werner declined to say which criticism and which defeat smarted most. He said:

"My years in this party have taught me to be keenly aware of the moods in the party. And I can assure you that none of the criticism came as a surprise. The party members are candid and do not hesitate to say what we are doing wrong."

He was therefore well prepared for the criticism that was going to be aired concerning the agreement with the Social Democrats on higher gasoline taxes and in other areas. He had already heard about it at the district congresses in Norrbotten immediately after that agreement was reached. And he was informed of other criticism at district congresses in Goteborg and Stockholm.

#### Criticism Taken to Heart

The result was that his speech at the congress, which many regard as being self-critical, contained an indication of the party's own socialist profile.

As one result of the congress and all the self-criticism, the office of party secretary is being strengthened. That demand had been made by Werner himself and by his predecessor, C. H. Hermansson, before him.

On the question of whether the party will get a better party leader in return, Werner laughed.

"I will continue to be what I am, but clearly, there is no getting away from the fact that the congress gave me more experience with the party."



Several critical party members with whom DAGENS NYHETER spoke at the Parliament Building say that Werner clearly demonstrated during the congress that he took the criticism to heart and that he can probably now be expected to become a better VPK chairman. One critic feels that he has received assurance that there will be no more agreements with the Social Democrats that will harm the VPK's voter groups.

"Oh, so that is what they are saying. Well, it is a good thing if they are all happy," says Werner.

#### More Workers

The VPK leader refuses to go along with the idea that the criticism comes mainly from the worker rank and file--from members involved in the union.

"I suppose there is hardly anyone who has as much contact with the union as I have. Not a week goes by without my meeting with people at the union level. That analysis is pure invention," says the former bricklayer.

He spontaneously called attention to the SCB [Central Bureau of Statistics] voter analysis showing that the number of workers and lower-level salaried employees among VPK sympathizers is increasing.

Werner refuses to describe the departure of his comrade and friend Bo Hammar as party secretary as a personal setback.

"Actually, we had to force Bo Hammar to take the job when Tore Forsberg suddenly passed away during the last election campaign. Personally, however, I would have liked to see Hammar stay on, considering that it has just been decided to strengthen that post."

Nor is the congress decision concerning an action program during the period until the next congress a personal setback, according to Werner.

"For me, it is not an important matter in principle that the congress went against the party board. It's just that I have always considered it more flexible if we can make several topical pronouncements on various issues than if we have one massive master program. But now, of course, the party board has been instructed to come up with one."

After a number of provocative questions concerning personal defeats and feelings concerning the congress, Werner said reflectively:

"I grew up in this party and have been active in the union since 1951. I was deputy chairman under C. H. Hermansson, and it is clear that from time to time, one must stop and wonder about one's own role in party work. It is important even for one's own survival."

He added that it was scarcely likely that he himself, when he was elected party leader in 1975, would have made a speech containing as much self-criticism as the one he delivered at the 27th party congress.

"You cannot afford to when you have just been elected. It requires more experience," says Werner, who will be 50 years old this summer. "The same was true of the speech that C. H. Hermansson made in 1968. He would never have made such a speech in 1964."

He adds that he is glad that he himself has never been the target of criticism as humiliating as that to which C. H. Hermansson was subjected by the latter's predecessor, Hilding Hagberg.

#### Conflicts Between Forces Remain

Stockholm DAGENS NYHETER in Swedish 6 Jan 85 p 2

[Editorial: "Conflicts Remain in VPK"]

[Text] As the VPK congress comes to an end today, Lars Werner can note that he has ridden out the storm. Despite all the criticism--and perhaps with the help of his own self-criticism and demonstration of humility--he was reelected by unanimous vote. The main direction of party policy that has prevailed under his leadership will be continued, with some tightening up.

At the same time, it is clear that the political antagonisms prevailing within the VPK still exist following the congress. Replacements in the leadership mean that groups which felt that they were being wronged have been given a place. It remains to be seen whether that contribution toward more harmonious relations between the leadership and the party members can neutralize the disadvantage represented by the encapsulation of conflicts within the organization.

There is still a big gap in the VPK between the orthodox and Leninist members on the one hand--whose sympathies lie with East European communism--and, on the other, those inspired by "Eurocommunism," who repudiate the Soviet model and stand for serious-minded democratic conviction. Most people in the VPK find themselves somewhere on a scale between those extremes.

Big differences also remain on the question of how political work should be carried out, above all as regards the balance between efforts in Parliament and work as an "action party." Those who emphasize action outside Parliament are critical of the compromises reached with the Social Democrats in recent years.

It is precisely the Social Democratic policy for government that has placed the VPK in such a quandary that many within the party describe the 3 years since the last congress as "lost years." Nor, despite all the debate and self-criticism, has the VPK managed to answer the question of how it will be better able in the future to deal with a situation in which its support in Parliament is needed by a Social Democratic Party whose economic policy it regards as totally wrong.

Jorn Svensson indicated the difficulty in maneuvering when, in defending the party's cooperation in raising the gasoline tax, he explained that the VPK also has a responsibility to prevent a change in government in the next election. He said that defeats in Parliament would lead to a loss of votes for the Social

Democrats in favor of the nonsocialists. But the question is: how long can a party with such motivations support a policy that it really disapproves of?

Actually, the simplest solution for the VPK would be a nonsocialist election victory this fall. It would then abandon with relief the uncomfortable responsibility it has taken on and quickly go back to its old role as the party of one-upmanship.

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POLITICAL

TURKEY

COMMENTARY RAPS OZAL FOR MYOPIC FOREIGN POLICY

Istanbul CUMHURIYET in Turkish 24 Jan 85 p 3

[Article by Samim Lutfu: "Realities of Foreign Policy"; literal translation of author's name is "Kind Favor," may be pseudonym]

[Text] As the turmoil goes on within the Ozal government, the Istanbul newspapers are reporting that Foreign Minister Vahit Halefoglu will also be leaving his post. According to the reports, the rumor is going around not just in Ankara, but also in the halls of the Council of Europe. Moreover, an English language newspaper read by diplomatic circles in Ankara writes that the difference of opinion between the minister of foreign affairs and the prime minister has as much to do with Ozal's attitude towards relations with the Council of Europe as with his general approach to foreign policy problems.

How far has the Ozal-Halefoglu rift gone? Will the foreign minister keep his post a while longer?

These questions will be answered in the days ahead.

One must say that it is not surprising that the error in Ozal's basic approach to foreign policy would be quite discomfiting to any career diplomat.

Indeed, it is a well-known fact that Mr Ozal tends to look at all foreign relations from the standpoint of economic relations, virtually taking the Ministry of Foreign Affairs as a Ministry of Foreign Economic Affairs. As the natural result of such a view, it is inevitable that all of our foreign relations would fall into the error of being guided in keeping with the short-term conjuncture of foreign trade.

There is no doubt but that economic interests lie at the foundation of foreign relations. In formulating their foreign policy, states are most careful to have their economic interests addressed in the best way possible. But the limits of foreign policy are not this narrow. Factors exist that weigh more heavily in a country's foreign policy than its short-term economic interests. The biggest distinction between the foreign policy of a state and the economic relations of a business lies in this small, seemingly trivial, but important point in general approach.

The person with a calculator in each hand, regardless of the airs he may give himself, is not necessarily an accountant any more than the people who most often insist that economics lies at the root of foreign relations are always the ones who can set economic relations on the best course.

Indeed, the basic error of Ozal diplomacy stems from the refusal to recognize the fact expressed above.

When one slips into this kind of basic misconception, a kind of "either-or policy" is placed in effect which looks upon the components that are all complementary parts of a whole in the long run as mutually exclusive options.

Ozal cannot say what relations he wants, where he is looking for them or how he wants them to be, and, where he should be addressing the reasons for the shortcomings in these relations, he immediately asks the question: "How many dollars are these relations worth to us this year?" After he gets the answer to that, his next question is: "I wonder which relations of equal value I could use to replace some that have a lower dollar value?"

This attitude, which at first glance seems quite shrewd, actually blurs the components of our foreign policy. Do our relations cool with Europe? We immediately warm up to the United States. The rift with Europe sets the tone for our relations with the United States. But what if the amount of aid we get does not come up to our expectations for that year? Then we turn to the Arab countries.

This policy and similar so-called options will blur all the threads of Turkish foreign policy after a while and bring events to an impasse from within.

Geography, economic status and historical development define Turkey's foreign policy.

Turkey is a Middle Eastern nation. At the same time, Turkey is a Mediterranean nation. Turkey is within the political boundaries of Europe. As to economic structure, Turkey is a Third World nation. Turkey is an Islamic nation, but, at the same time, a secular nation that strives to assimilate all the diverse cultures that have colored its soil. Turkey is the heir of the Ottoman Empire. The transition from the Ottoman Empire to the Republic of Turkey is the pinnacle of the process of development of that empire over the past 150 years, a process called Westernization, but which may be perceived as modernization. Thus, the final era of the Ottomans was defined by their efforts to become a bridge between, a nation synthesizing two worlds. We must not forget that Anatolia has been the crossroads and the focus of synthesis of two worlds since Alexander the Great.

When we look at events in light of these realities, we may easily see that Turkey's foreign policy must comprise a whole covering all the points described above.

It is senseless to pretend ignorance of these realities and put in place an alien "either-or policy." Turkey is neither a Middle Eastern nor a European nation. It is both a Middle Eastern and a European nation. Turkey is not a nation that has either assimilated Western institutions and democracy or opted for close relations

with the Islamic countries. Turkey must be a nation which both strives to assimilate and practice Western democracy and perpetuates the historical relations with the Islamic countries.

Turkey is not a NATO fortress built in the region facing the Middle East. Turkey sees NATO as a Regional Defense Pact formed under article 51 of the United Nations Charter. Its defense is not limited to NATO, but is strengthened by NATO. However, this fact must not jeopardize good relations with countries in the region with different economic and social structures.

We know. Turkey's foreign policy, given shape by its location, history and inclinations, is a synthesis of contradictions that, at first glance, seem hard to reconcile.

You can carry a Japanese mini-calculator in your pocket and take it out now and then and punch the keys in an attempt to show what a mathematician and economist you are, but the calculator's operations are limited after all and, unfortunately, insufficient to comprehend these delicate balances.

And, unfortunately, once the delicate balance of foreign policy is thrown off by the rashness of ignorance, it is impossible to correct it by putting minitapes in your pockets and playing wild James Bond games.

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There are two, not independent ground Article XI of the Constitution which said Assembly members from winning parties. Representatives of parties that are represented in the Assembly were not particularly "pleased" with the proposal to amend Article XI. In contrast, parties that are not represented in the Assembly welcomed the proposal, assuming that the proposal will insure political stability.

State or local government political party officials on the issue of standing

Several people thought that a few days ago in an Assembly gathering we were given a new formula on individual situations, rights, autonomy, justice. Today, the House had some rather an interesting. I would like to know that what the House mean in this way the period. I do not think it would be good if the people are told that this House can not defend. It is not good that the constitution should provide any incentives for deputies to do this.

can never be relieved by stopgap measures. Obviously, this situation can best be resolved through early elections. If this cannot be done, Article 84 must be amended.

Atila Sav (Social Democracy Party): The solution that has been proposed is partly peculiar to the conditions of the transition period. Because the situation that emerged under the unusual conditions of the transition period was so anomalous that many people found themselves at the wrong address. I am skeptical about every type of restrictions on freedom. This is a restriction and its revocation would be beneficial.

Ahmet Nedim (RP [expansion unknown]): Precautions must be taken to prevent Assembly deputies from switching as they like. That is beneficial. But it is not right to impose rules as rigid as those in our constitution.

9583

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POLITICAL

TURKEY

# SODEP'S INONU STUMPS FOR EARLY ELECTIONS

Istanbul CUMHURIYET in Turkish 30 Jan 85 p 7

[Report by Fatih Gullapoglu]

[Text] Sakarya--Speaking during his eastern Marmara tour, SODEP [Social Democracy Party] leader Erdal Inonu said: "Early elections are rapidly approaching. The fact that the Motherland Party has asked for early elections means that it must be having major difficulties. We now see that these difficulties are steadily growing."

Inonu yesterday visited the town halls of Erenler, Sardivan, Kirkpinar, Karasu, Ferezli, Sogutlu and Kaynarca, all of which are under the jurisdiction of Sakarya. During these visits, Kirkpinar Mayor Niyazi Bagdat of the Populist Party, switched to SODEP together with five city councilmen.

In his speeches yesterday, Inonu criticized the value added tax (VAT) system. Contending that no preparations were made for the VAT system, Inonu said:

"The mentality in the introduction of VAT was one of 'let us take whatever we can get.' If we look at other VAT implementations around the world, we see that no VAT is levied on basic foodstuffs. The fact that the government has had to make several changes in connection with VAT shows how ineptly they acted on this issue. The biggest disaster on this issue is the fact that there have been too many changes. The entire system will degenerate as a result of this faulty implementation and eventually VAT will disappear."

In response to a question on whether he has "heard about any improprieties," Inonu said: "Such reports are usually made to the parties in the parliament. That is because the citizens want such cases to be tackled in the Assembly so that action can be taken swiftly." Inonu continued:

"But what is more important is that the Assembly complete its investigation of the Ozdaglar case as soon as possible. The impression I get from newspaper reports is that there is a tendency to conduct this investigation as slowly as possible. Here I see a desire to make the citizens forget their indignation." Responding to a question on amending the constitution, Inonu said: "First of all this constitution must be fully implemented." He added:

"No one can believe those who say that they are working for a more democratic constitution when they are not fully implementing the democratic facilities

granted by the existing constitution. This is not their first ploy about amending the constitution nor will it be their last. I have previously stated that the issue of amending the constitution must be taken up after a future election. What is important now is to make the constitution fully functional." In response to a question about unifying the left, Inonu said: "The party leaders are not opposed to unification, nor are the central party authorities. It is the citizens who want unification." In response to another question, Inonu said: "An election is necessary--though not necessarily an early one--to rectify the anomaly that emerged in the last general election." When a reporter insisted, "In other words, an early election?" Inonu replied: "Yes, of course. Of course." Inonu continued:

"It is the Grand National Assembly that will decide whether to hold elections. The fact that the majority party has proposed to hold an election means that they must be having major difficulties. We now see that those difficulties are steadily growing."

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POLITICAL

TURKEY

# MP'S ASCIOGLU RAPS 'DESTABILIZING' OPPOSITION ACTIVITY

Istanbul CUMHURİYET in Turkish 30 Jan 85 p 7

[Text] Ankara--Pertev Ascioglu, deputy chairman of the Motherland Party [MP] group in the Assembly, said in a press conference at the Assembly yesterday that parties not represented in the Assembly want to drag Turkey into "political instability" and that an early election would do more harm than good.

Ascioglu asserted that political parties must perform their functions in or outside the Assembly, but that it would be in the interests of the country if they agreed on "minimum common grounds."

Ascioglu said that the correct stance to take would be to accept the "unconditional legitimacy" of the work of the National Security Council from the 12 September 1980 military intervention until the elections and to agree not to argue about these issues.

Contending that abstention by the political parties from any debates on the 6 November elections and the 1982 constitution would also be a correct move from a standpoint of political stability, Ascioglu expressed his opposition to early elections and said:

"While the legitimacy of the 6 November 1983 elections is not disputed, today there are debates about the basis of those elections and the merits of the administration that prepared for and organized those elections on grounds that particular parties and groups were allowed to participate in the elections while others were not. The 6 November elections were organized and held not by the current government but by the administration which governed the country from 12 September 1980 until the Chairmanship Council of the Grand National Assembly was formed. An administration which rescued the country from its pre-12 September state must naturally be expected to have certain opinions and to take certain actions.

"Even so, the 6 November elections were fully democratic elections. Furthermore, our constitution has a Provisional Article 15 which clears from any responsibility those who held the 6 November elections and who set down its rules and conditions.

"There may be parties which get the chance to be represented in the Assembly under the conditions of a particular time, while others may be denied that

chance for a certain period of time. This is not a situation that is at odds with a democratic system. In every country, there may be certain peculiar conditions at the time of an election. This, too, is not an undemocratic situation.

"The 6 November 1983 elections determined a government and an opposition for the next 5 years. The purpose of the clause in our constitution stipulating that elections be held every 5 years is to keep the country from getting caught with election fever too frequently and to give the government elected to office the opportunity to work under stable conditions for a reasonable length of time. Our constitution even contains a clause which says that by-elections cannot be held in less than 30 months after the general elections. This clause is another indication of the tendency of the constitution to avoid frequent elections.

"I do not condone the recent actions of certain parties which have to operate outside the Assembly for the moment to drag our country into an environment of political instability, and I believe that such postures cannot be of any benefit to anybody. It must be understood that such stances will definitely hurt our country and our democracy. We will all be hurt by the harm they produce. Our constitution--regardless of who is responsible for it--contains provisions for everything including the calling of new elections."

Ascioglu added that early elections are not necessary at this time and that early elections may be held if the conditions set by the constitution are satisfied.

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MILITARY

DENMARK

# SDP MP: PARTY WILLING TO SUPPORT ACQUIRING FLEX-SHIP TECHNOLOGY

## SDP Demands Government

Copenhagen AKTUELT in Danish 17 Jan 85 p 13

[Article by Erik Matzen]

[Text] The Social Democrats demand that a decision be made on construction of the first series of seven new naval vessels at a total cost of about 1.4 billion kroner.

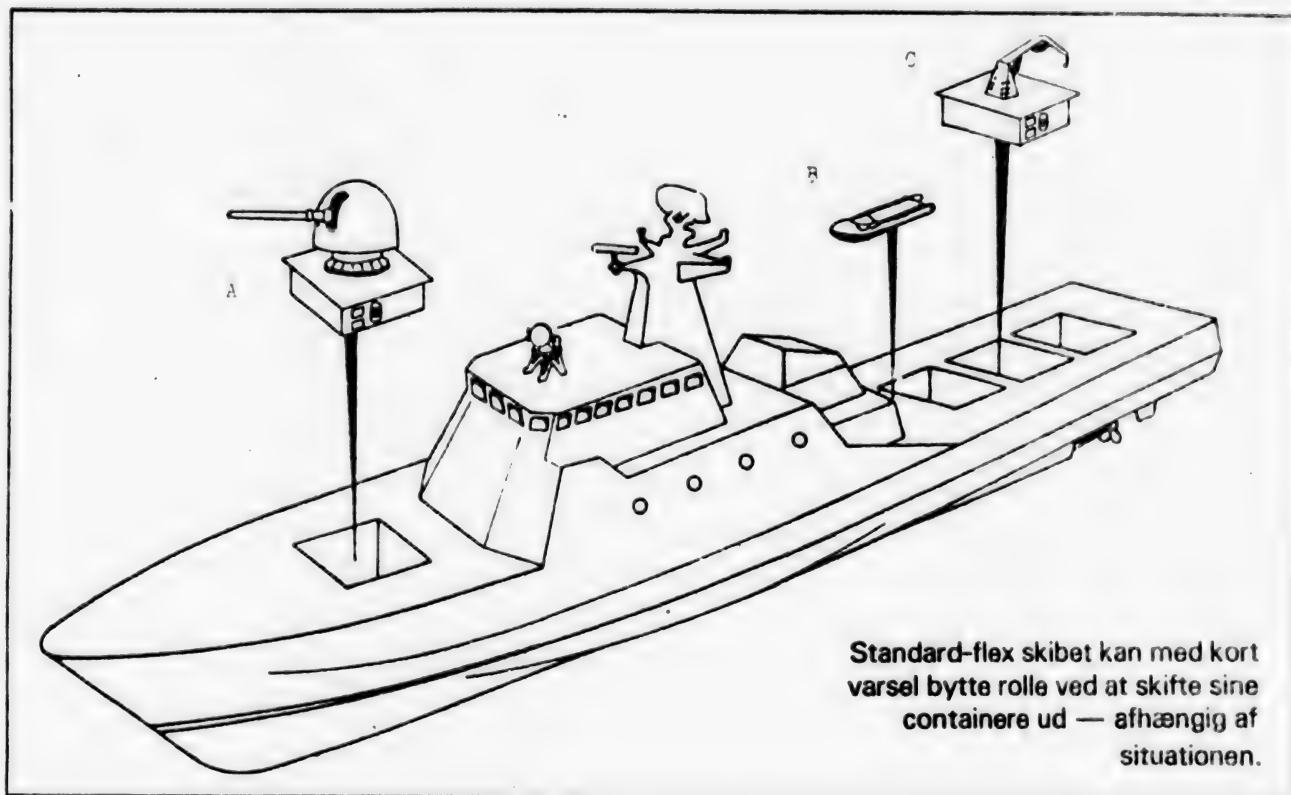
At least six additional ships will be constructed in a second series at a total cost of 2.5 billion kroner for the 13 ships. The Social Democrats also demand that all the ships be constructed at Danish shipyards.

The ships in question are part of the Standard Flex project, which will replace at least 22 obsolete vessels. This demand runs counter to the position of the navy, which believes that at least the first ship should be constructed at the state-run Swedish military shipyard in Karlskrona. One new aspect of these 300-ton ships is that they will be made of fiberglass. This technology is available at few Danish shipyards.

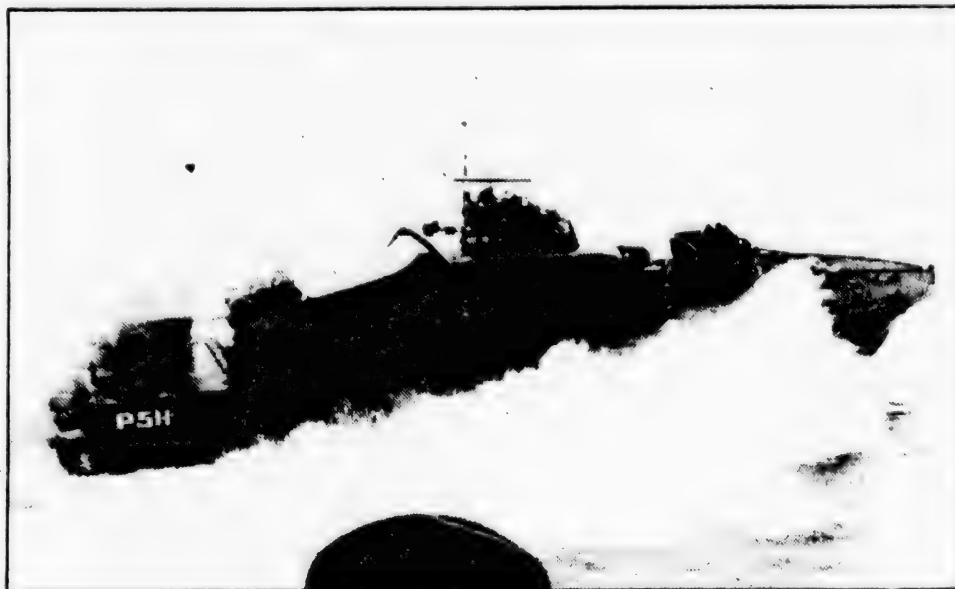
## We Will Learn

"This is precisely why the project should be carried out here," said Social Democratic defense spokesman Knud Damgaard. "Regardless of whether or not the first ship is constructed in Karlskrona, we will learn this special technology in any event for construction of the second ship. Thus, we might just as well begin here from the beginning."

Knud Damgaard pointed out that the technology involved in the construction of fiberglass ships would not apply to these 13 naval vessels alone. The Oresunds-selskabet, which is owned by DSB (Danish State Railways), also has plans to construct catamaran ferries of fiberglass for its traffic to Sweden. In addition, the fate of the ship Dana Optimas in the North Sea last winter has led to plans for the construction of fiberglass containers. In a heavy storm, the ship lost its containers of herbicide. If the containers had been made of fiberglass, they would not have sunk.



The Standard Flex ship can quickly change roles by exchanging containers, depending on the situation.



Soloven-class motor torpedo boat.



Sund-class minesweeper.

"It is possible that construction of the first naval ship could be somewhat more expensive than it would be in Karlskrona," said Knud Damgaard. "On the other hand, we will gain knowledge and experience that will be of great value in the future. I do not know what the government has done with the funds that the Trade Ministry had for product development. If these funds are still available, they should be used for some of the added expenses that will be a natural part of constructing a prototype. The decision must be made now," Damgaard concluded.

#### Can Change Quickly

The ships in the Standard Flex project are characterized by a high degree of efficiency. At a few hours' notice, each ship can change roles: from a mine-sweeper to a missile ship, a patrol boat, a minelayer, or a torpedo boat--and vice versa.

The principle is that several containers with minesweeping equipment may be exchanged for several other containers with equipment for minelaying or patrol duties or with equipment for torpedoes, missiles, guns, and vice versa. The containers all have the same dimensions so that they fit perfectly in the space designed for them. A crane lifts the containers onto and off of the ship. The containers are bolted to the ship with an ordinary wrench.

The ships will all be 300 tons, be capable of reaching speeds of 30 knots (about 60 km/hour), and have a crew of 16 or 17 men.

Because the hulls will be made of fiberglass-reinforced polyester, the ships will weigh much less than they would if they were made of steel. The material is nonmagnetic, a necessity for minesweepers, and the material is easier to maintain than steel hulls. The lower weight will make it possible to reduce the dimensions of the propelling machinery, thereby reducing the fuel consumption and size of the fuel tanks.

If everything goes according to plan, the navy will have a prototype for trial runs next year. The remaining ships will be ready beginning in 1987. At that time, the navy can begin to phase out its eight Daphne-class patrol boats, eight Sund-class minesweepers, and six Soloven-class motor torpedo boats.

#### Navy Favored Swedish Builder

Copenhagen AKTUELT in Danish 21 Jan 85 p 8

[Editorial: "Danish Jobs"]

[Text] "Without a doubt," orders for 13 so-called Standard Flex ships will be placed with Danish shipyards, even though the navy obviously wants the ships built in Sweden.

It seems reasonable for this large number of ships to be built in Denmark. It is possible that we lack expertise in working with this material, but

know-how can be bought and, in the long run, this would make sound business sense for Denmark. This is not simply because 13 new ships will be built now, but because experience from this order would be of great importance to Danish shipyards, which have done an excellent job with the materials they have used in the past.

One of the arguments that has been presented in the effort to have the Standard Flex ships built in Denmark is that the new technology could be used in many other areas.

Of course, we could spare a Danish order to the shipyard in Karlskrona, especially since the Karlskrona shipyard has specialized in fiberglass materials in large ships, but it is important that we consider the future of Danish shipyards and a military order of this magnitude could clearly provide the impetus for creating new jobs in Denmark.

Thus, it would be both natural and heartening to create a consensus on the premise that Denmark itself should construct the Standard Flex ships for the navy.

It would also be unjust and perceived as a defeatist attitude if an order of this type were sent abroad.

#### Builder Says Know-How Lacking

Copenhagen AKTUELT in Danish 22 Jan 85 p 6

[Article by Erik Matzen]

[Text] "The government should just turn to the Social Democrats if they are nervous about the safety of the Standard Flex ships for the navy," said member of parliament Kaj Poulsen (Social Democrat). "We are prepared to come up with 50 million kroner to develop Danish know-how, since there is no doubt that there is a great future in the construction of large fiberglass ships."

In this way, Kaj Poulsen rejected the position of the navy, which wants at least the first warship to be built at the state-run Swedish military shipyard in Karlskrona. The head of the Naval Materiel Command, Rear Adm H. Dynnes Hansen, for example, believes it would be natural for Denmark to draw on Sweden's experience, since the Swedes are far advanced in this modern technology.

Kaj Poulsen responded:

"Danish development of this project would be of such great value in terms of jobs and export prospects that any investment we make will be repaid many times over. After all, this is new technology we are investing in and it would put Denmark in a favorable position on the world market."

The director of the Alborg Vaerft shipyard, Hakon Jensen, believes it would be wise to have the first Flex ships built in Sweden.

Obsolete

On the other hand, the former director of Frederikshavn Vaerft, Niels Bach, believes that the days of large fiberglass ships are numbered and that the Danish shipbuilding industry would not profit from developing this technology.

Bach said that fiberglass is such a difficult material to work with when it comes to large ships that it never has been the success the Swedes hoped for. As a result, he recommends that the ships be constructed of steel.

9663

CSO: 3613/101



MILITARY

FEDERAL REPUBLIC OF GERMANY

# STRUCTURE, DEPLOYMENT, EVOLVING DOCTRINE OF TERRITORIAL ARMY

Vienna OESTERREICHISCHE MILITAERISCHE ZEITSCHRIFT in German Jan-Feb 85  
pp 68-70

[Text] Along with the gradual implementation of Army Structure 4 there was also the buildup of the Territorial Army, which in recent days has come in for a lot of attention. This results from the fact that during the discussion of the NATO defense doctrine demands were made for strengthening conventional combat forces, especially the infantry. Thus, a strengthening of the forward defenses and increased protection for the rear areas would contribute greatly to deterrence. But inasmuch as at present a numerical increase in active-duty NATO units is hardly feasible, an expansion of the Territorial Army in the FRG gains in significance. While the field army functions under NATO command for purposes of border-area defense operations, the Territorial Army remains under national command.

Since 1 February 1969, when the unification of the field and Territorial Army became effective, the army general staff has functioned as their common command staff, with the deputy chief of staff of the army being responsible for territorial ground defense. Among the principal mission elements are the preservation of the NATO forces' operational availability as well as the maintenance of the field army's operational readiness as regards personnel and materiel.

The most important task, security for rear areas and the rear combat zone, is becoming of greater importance in view of the Warsaw Pact's implied offensive concept at the conventional level.<sup>1</sup> In particular, the Soviet option of attacking targets in the depth of the adversary's rear area or to occupy them in surprise airborne operations as part of a comprehensive "air operation," requires effective area and installation protection on the part of the defender. Additionally, the territorial defense units must be prepared to deal with deep penetration by enemy forward elements through NATO divisions deployed near the border.

For these reasons, early efforts were made to equip the essential parts of the home defense force, specifically the home defense brigades, in such a way that they would be able to operate in an offensive mode and independently, e.g., in attacking airborne landing troops. Area protection is implemented primarily by surveillance, security and defense; area surveillance in particular requires mobile deployment of the main force.<sup>2</sup>

At the present time, the Territorial Army has a strength of about 44,000 and is divided into three territorial commands (Schleswig-Holstein, North and South) and into six military district commands; the Schleswig-Holstein territorial command is identical with Military District I. Under the military district commands there are 29 military region commands, under which there are in turn 80 military subregion commands. The military district commands serve as "opposite numbers" for the NATO corps and the Land governments, whereas the territorial commands function in cooperation with the Army Groups North and South or with the NATO commands at the Baltic approaches (BALTAP).

In peacetime the Territorial Army has about 10 percent of its mobilization strength, which in case of emergency is said to be either 400,000 or 450,000.<sup>3</sup> In peacetime, 1,200 active-duty soldiers and 600 civilians work in "host nation support," i.e., for logistic support of U.S. forces in the FRG.

Apart from its command and support elements, the Territorial Army has the following subordinate home defense units:

- 6 home defense brigades/partially active
- 6 home defense brigades/equipment holding units
- 15 home defense regiments/mobilized
- 150 home defense companies/mobilized
- approximately 300 guard and security platoons/mobilized.

Two each of the 12 home defense brigades are subordinate to the individual military district commands; the 15 home defense regiments are subordinate to the military region commands. Of the six partially active home defense brigades (Numbers 51-56), the 51st has a peacetime personnel strength of 85 percent; three others are at 65 percent and two at 52 percent. The six brigades form the core of combat forces in the military districts. At the present time, the brigades do not yet have a standard structure; on the average, they have three combat battalions and one artillery battalion (strength: about 3,600).

The standard organizational structure looks like this: two armored and two infantry battalions and one artillery battalion with eighteen 105mm field howitzers. Every armored battalion contains forty-one M-48 A2 combat tanks, divided into three companies; every infantry battalion has twelve MILAN ATGMs, seven gun tank destroyers and six grenade launchers; one of the two battalions is equipped with M-113 APCs. In addition, there are command and support elements and a field replacement battalion. At present, only Home Defense Brigade No 51 in Eutin is structured in this fashion.<sup>4</sup>

Home Defense Brigade No 51 was placed under NATO command in June 1982 and thus reinforces the 6th Armored Infantry Division in Schleswig-Holstein. In addition, Home Defense Brigade No 56 was placed under NATO command in Neuburg/Danube in the fall of 1982. The artillery of this brigade consists of eighteen M-109s (155mm).

It is intended that within the next few years the improved combat tank M-48 A2 GA2 (105mm gun) will be entirely transferred from the field army to the home defense force and will constitute the bulk of the combat force there. This depends upon the continuous introduction of the Leopard 2 in the armored brigades of the field army, thus freeing the improved M-48 for transfer to the Territorial Army. Another option provides for equipping Home Defense Brigades No 51 and 56 (NATO) with Leopard 1s. Some infantry battalions will also receive the Marder infantry tank.

The remaining six home defense brigades are equipment holding units which require activation and which must draw approximately half their vehicles from civilian sources. In their standard configuration these home defense brigades have 3 combat battalions (one armored and two motorized infantry battalions) and one artillery battalion with 105mm howitzers. Both types of brigades are noteworthy for their great anti-tank capabilities. A look at the deployment of the home defense brigades shows that most of them, with the exception of Brigade No 51, are stationed deep in the FRG rear areas.

Establishment of 15 home defense regiments took place until the middle of 1984; it was accomplished by combining 45 infantry battalions consisting of equipment holding units. They are deployed for defense purposes in defense areas, but also for area defense, where attacks can be mounted only in favorable terrain against an infantry adversary. Their strength is about 3,200 and they consist of a headquarters company, a support company and a grenade launcher company, as well as three infantry battalions, each containing four infantry companies.

The home defense regiments, which are under the command of the military region commands, are distributed as follows:<sup>5</sup>

Military District I: Regiments No 71 and 81;  
Military District II: Regiments No 72 and 82;  
Military District III: Regiments No 73, 83 and 93;  
Military District IV: Regiments No 74, 84 and 94;  
Military District V: Regiments No 75 and 85;  
Military District VI: Regiments No 76, 86, 96.

In establishing home defense companies and security platoons, efforts are made to station their reservist manpower as close to home as possible. Both types of units are used for installation protection.

To be able to deploy a greater number of Territorial Army formations in case of a national emergency, so-called "combat support force commands" have been created which are under the command of one of the three territorial commands. In addition, there are the liaison commands, which handle information exchange between the headquarters of the field army, the Territorial Army and the civil government. This emphasizes the "middleman" function of the Territorial Army. We must bear in mind that the armed forces rely in many respects upon materiel and service support from the civilian sector.

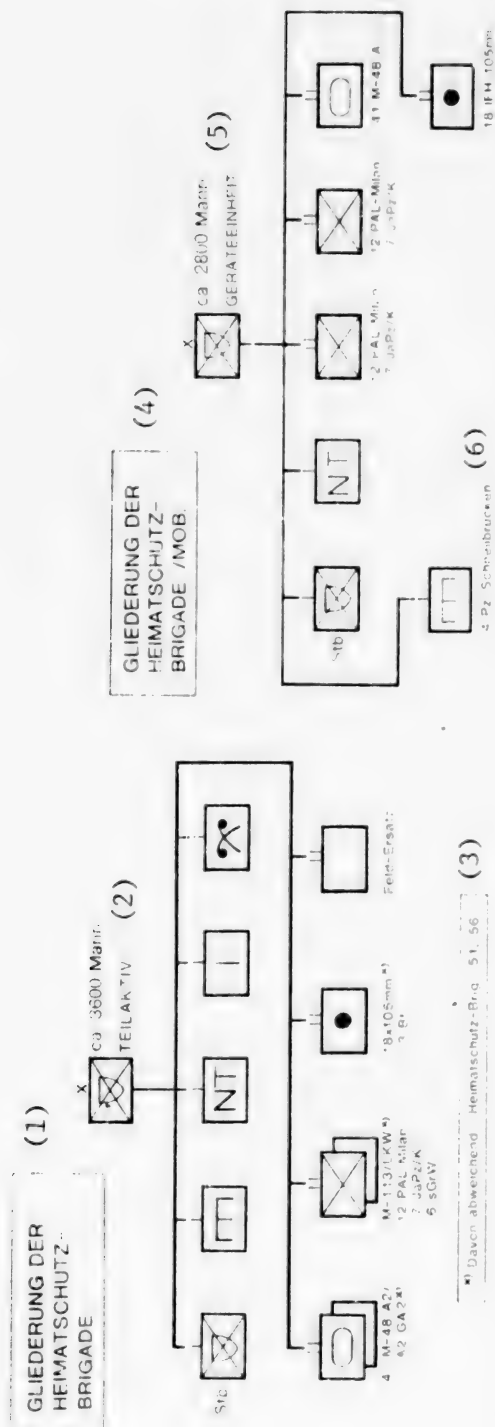
Despite the accomplishments to date in establishing the home defense forces, much remains to be done, e.g., the stocking of ammunition which in the final planning should be sufficient for 30 combat days, but which at present is available for only 3 to 8 combat days in the case of several types of ammunition. In addition, there is a need for training reservists; the suggestion has been made that reservists called to active duty for mobilization exercises undergo training as part of the battalion in the deployment area, if possible.<sup>6</sup>

The importance of the reservists in general has been emphasized by official sources on several occasions during the past few years. Efforts are underway to take better care of the reservists and to use them more in accordance with their individual preferences. A total of 157,000 reservists participated in defense exercises, usually of 12 days' duration, in 1983. In 1984 this number is to increase to about 190,000.

There remain however some ambiguities as to the deployment role and the tactical mission of the home defense brigades. Even though these self-sufficient mixed major formations are basically suitable for any type of combat, there is still some hesitation in considering these brigades as operational reserves of the corps concerned, especially for battlefield interdiction of enemy breakthroughs and for deployment in unoccupied sectors. For those purposes, the home defense brigades will shortly attain the limits of their capabilities. But deployment as an independent operational group in the rear combat zone is a highly responsible function also; thus an evaluation of the advantages and disadvantages of either would appear to be indicated.<sup>7</sup>

#### FOOTNOTES

1. Phillip A. Petersen-John G. Hines, the Conventional Offensive in Soviet Theater Strategy; in: *Orbis*, Fall 1983, p 705 et seq.
2. Eduard Brueckner, The Territorial Army: Mission, Structure, Manpower. In: *KAMPFTRUPPEN* 3/1982, p 95.
3. *ARMED FORCES JOURNAL INTERNATIONAL*, May 1984, p 102.
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Osterr. Milit. Zeitschrift, Heft 1/1985

- Key:
1. Structure of the Home Defense Brigade
  2. Approximately 3,600 Men--Partially Active
  3. Home Defense Brigades No 51 and 56 are different
  4. Structure of the Home Defense Brigade--Mobilized
  5. Approximately 2,800 Men--Equipment Holding Unit
  6. Armored Quick-Laying Bridge





### Caption to Map

The bulk of the German Territorial Army is under national command. However, in 1982 Home Defense Brigades No 51 and 56, which are significantly better manned and equipped than the other four brigades, were placed under NATO command. These two brigades are stationed in areas relatively close to the boarder, while the other 4 brigades have a great number of tasks involving the protection of the rear areas. The total strength of the Home Defense Force is approximately 40,000. In addition to Home Defense Brigades No 51 and 56 there are another six similarly structured brigades which are equipment holding units requiring mobilization. The map shows roughly the deployment of the six partially active home defense brigades and the locations of the most important among the territorial commands.

### Key:

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| 1. Legend                         | 5. Home Defense Brigade/ Equipment |
| 2. Military District Command      | Holding Unit                       |
| 3. Military Region Command        | 6. Service Support Command         |
| 4. Home Defense Brigade/Partially |                                    |
| Active                            |                                    |

9273

CSO: 3620/275

MILITARY

GREECE

# BIOGRAPHIC DATA ON NEW POLICE, FIRE CHIEFS

Athens I KATHIMERINI in Greek 6 Feb 85 p 1

/Text/ Lt Gen Georgios Romosios, an officer coming from the gendarmerie, became the new chief of the Greek Police yesterday. The KYSEA /Government Council for National Defense/ that met yesterday at noon under the chairmanship of Prime Minister Papandreou appointed Mr Romosios as chief.

The KYSEA also appointed Fire Chief Nik. Andonopoulos to be the new chief of the Firefighting Corps. Mr Andonopoulos will be promoted to the rank of first fire chief.

The KYSEA bestowed the title of honorary chief of the Greek Police to two police chiefs who resigned the day before yesterday, namely Messrs P. Raftopoulos and Emm. Brillakis. It also expressed the gratitude of the government to Mr Sot. Monanderas, chief of the Firefighting Corps who also resigned.

There are at present two vacancies in the rank of lieutenant general in the Greek Police but it is expected that these vacancies will soon be filled by a decision of the legally-founded council composed of the chief of Greek Police and two lieutenant generals. If the council meets before Mr N. Bakogiannis, third lieutenant colonel in line, recovers from his illness, then the council will be composed of Mr Romosios, G. Sambanis, second lieutenant colonel in line, and a third lieutenant colonel from the army.

Mr N. Andonopoulos, the new chief of the Firefighting Corps, fifth in line of fire chiefs in the corps, will not, in accordance with the law, bring about the retirement of any of his peers with longer service.

Chief of Police Romosios is originally from Mesokhora, Trikala. He graduated with honors from the following schools: Gendarmerie Officers School in 1957; National Defense and Police Academy abroad; also, he has had general education studies and computer studies.

He was the Greek representative to the Council of Europe Committee for Frontier Formalities and Travel Documents in 1975-1977 and he has participated in police conferences. He was also a teacher at the Security Corps officers schools for a number of years where he taught "Organization, Administration and Leadership." He is the author of a number of books and many articles in police organization

and administration. He has served in staff positions and has been the recipient of many awards and medals. He speaks English and French.

Mr N. Andonopoulos, the new chief of the Firefighting Corps, is originally from Pelopios, Ileia. He entered the Firefighting Corps in 1954 and has served in many staff positions. He has been promoted to all ranks by selection.

He has been a teacher in the Firefighters Officers School. He also holds degrees from the Advanced School of Political Science and the Athens School of Law. He speaks English.

5671

CSO: 3521/162

MILITARY

NORWAY

# PHOTOS REVEAL EAST BLOC USE OF AIRLINERS FOR INTELLIGENCE WORK

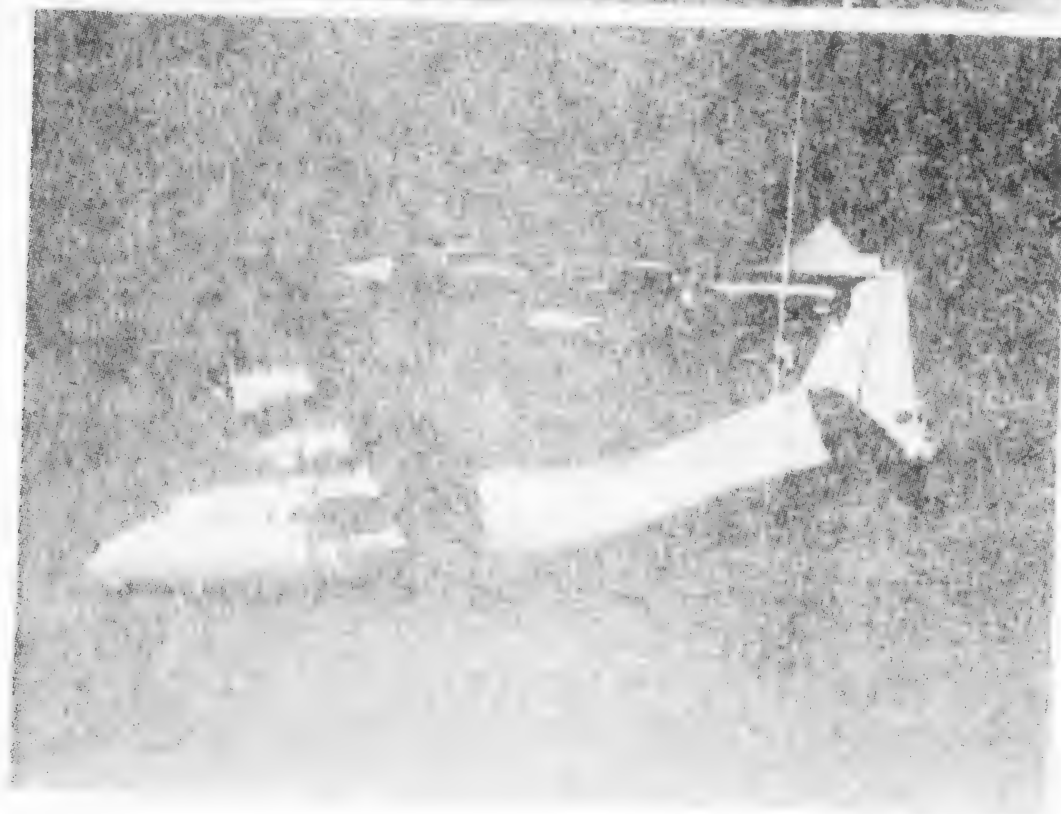
Oslo AFTENPOSTEN in Norwegian 6 Feb 85 p 4

[Text] The first picture below shows how airplanes from East European civilian airlines are used for military intelligence purposes in Norway, an activity which the government is now seeking to limit.

Through the windows in the cockpit of this airplane one can glimpse photographic equipment for close-up photography of military facilities of interest. The cockpit section is often covered when the airplane is used for civilian purposes but this airplane, which belongs to the Polish LOT airline, did not bother to take this precaution when the airline picked up planes to take to Poland from Vaernes Airport in March 1982. Although the airplane bears civilian markings it can be transformed in an instant into a military plane. There is a radar system and room for guns and a gunner in the tail section. However the guns had been removed for the landing at Vaernes. Informed sources say that East European airplanes gladly accept very small shipments which are not profitable to transport. While flying to Norwegian airports the routes are usually arranged so that the airplanes pass over "interesting" facilities, such as Kjeller, before landing at Fornebu. In another case the captain of the Bulgarian Balkan Air managed to lay his route over the military communications facility at Grakallen after his departure from Vaernes.

The same type of plane that picked up cows bound for Poland at Vaernes is also used by the Soviet Air Force for intelligence assignments off the Norwegian coast. The second picture shows how this plane, an AN-12, was cut off by a Norwegian jet fighter from Bodo.

The Soviet airplane closely resembles a Hercules transport plane, but it is specially equipped for electronic intelligence purposes, which can be seen from the antennae attached to the bottom of the plane. In the tail section one can clearly see guns and the space for the gunner. These airplanes regularly patrol the Norwegian coastline for intelligence purposes but prefer to remain at a safe distance from the border. This picture was taken over Lofoten.



6578

CSO: 3639/7

MILITARY

SWEDEN

# FRG TO PURCHASE ANTITANK MINES FROM STATE ARMS FIRM

Stockholm SVENSKA DAGBLADET in Swedish 7 Jan 85 p 8

[Article by Erik Liden]

[Text] The West German Armed Forces will soon sign a contract worth 500 million kronor for the purchase of antitank mines from the state-owned FFV [National Industries Corporation] in Eskilstuna. The order was confirmed as far back as last summer, when Sweden chose the West German BO 105 antitank helicopter.

A government decision in 1983 stipulated that all direct purchases of defense materiel abroad must be followed by compensating orders from the supplier. The MBB [Messerschmitt-Boelkow-Blohm] in Munich, which manufactures the BO 105, quickly received the West German Government's approval for the antitank mines, and this was also confirmed when Minister of Defense Manfred Woerner visited Anders Thunborg in June of last year.

There is debate over whether that visit tipped the scales in the evaluation of the BO 105 and the French Ecureuil, which is produced by AEROSPATIALE [National Industrial Aerospace Company]. Many people say it did.

The Swedish Armed Forces have plans to purchase about 400 million or 500 million kronor worth of the FFV's new antitank mines. The mine is unique in that, unlike older models, it not only has an effect on a tank's tracks but also puts holes in the bottom of the tank. It is known as a full-width mine.

Other countries are also studying the Swedish mine, which has now made a breakthrough in the NATO countries thanks to the West German purchase.

The antitank mines will be delivered at the end of the 1980's.

11798  
CSO: 3650/128



MILITARY

SWEDEN

# COAST ARTILLERY PURCHASING SHORE MISSILES FROM ROCKWELL

Stockholm SVENSKA DAGBLADET in Swedish 7 Jan 85 p 8

[Article by Erik Liden]

[Text] The Coast Artillery will procure a new short-range shore missile of the Hellfire type from Rockwell in the United States at the end of the 1980's. The deal is currently valued at 700 million kronor. Rockwell has received an initial order worth 70 million kronor.

The development work is being done in the United States, but production of the launching device and warhead will be a cooperative venture by Bofors and SAAB, and final assembly will also be their responsibility.

The government will have to approve the final order in 1986 or 1987. The Swedish order will be the first export order for Rockwell, which has so far supplied the Hellfire for antitank helicopters in the United States. The range is at least 6 kilometers and may be even longer with a light shore missile.

According to firing tests, armor-piercing capability is superior to that of the TOW, for example, which the Swedish Army has bought from the United States for antitank missions. Penetration to a depth of 140 centimeters in horizontal armor has been mentioned. The TOW penetrates just over 100 centimeters.

A tank with a sloping front of active or composite armor requires that much penetrating power.

Combating a vessel from a shore missile battery does not require the same degree of penetration. On the other hand, delayed detonation is needed so that the greatest possible effect will be produced deep within the vessel.

Rockwell estimates its share of the Swedish missile deal at 360 million kronor. This means that about half of the production will take place in Sweden.

In the near future, Lennart Ljung, supreme commander of the Swedish Armed Forces, will report on the defense force's total missile requirements through 1995 and on the possibilities for production in Sweden.

11798

CSO: 3650/128

ECONOMIC

EUROPEAN AFFAIRS

# ECONOMIC, SOCIAL CHANGES CHALLENGE EUROPEAN LABOR UNIONS

Bonn DAS PARLAMENT in German 22 Dec 84 Supplement AUS POLITIK UND ZEITGESCHICHTE  
pp 29-46

[Article by Wolfgang Lecher, research associate at the Institute for Economic and Social Science of the German Labor Union Federation: "Labor Unions in Europe: Between Resignation and Resistance"]

[Text] Following a phase of stagnation, resignation and paralysis in the late 70's and early 80's, signs of a mobilization of the labor union potential for action are now multiplying. Recollection of the unions' own collective bargaining strength, increasing discussion and starting practice of alternative technology and production concepts, discussion of working hours and the gradual opening towards environmental and armament problems could make possible a restructuring of the labor union potential for achievement despite restrictive government policies in economic and social policy matters in most European countries.

The European survey shows that despite similar trends in general conditions of state austerity policy, mass employment, weak growth, and retrogressive rates of organization, there are considerable national differences. There is a range from relative wage policy successes in reducing working hours in the FRG to stepped-up resistance and alternative potential in Great Britain, the labor unions of Italy and France which are struggling with great internal difficulties, the decline of cooperative labor union policy in Belgium, the Netherlands and Denmark up to the tremendous stability of corporative integration of the labor unions in Austria and Sweden. A differentiated picture of labor union opportunities for action emerges in the Europe of crisis, which, aside from risks and potentials for jeopardy, also offers indications of beginnings of an employee- and future-oriented policy.

## I. Resignation and Defensive--the Anomie of the Years From 1978 to 1983

A study on the status and future prospects of the labor union movement, especially under an internationally comparing formulation of the question, is apparently concerned with "chaos." It is not possible today to start out either from a prevailing structuring theoretical illustrative pattern, as happened for example in the 60's with the pluralism concept and in the 70's with the corporatism thesis, nor do the individual national labor union movements offer a uniform image of union-political organization and determination at least in outline. Rather structure and policy not only of the ideological labor unions are frequently drifting apart but also of individual labor unions under one common umbrella organization.<sup>1</sup> Especially on an international level it is not possible to speak of an adjustment process of labor union policy and collective bargaining strategies.

Thus at first glance the picture of a destruction of the traditional monolith, of a tendency toward disintegration while performing rearguard actions, of a lack of planning and perspective of the labor union movements on all levels and worldwide. But this pessimistic scenario--and "pessimistic" applies not only to the labor movement but also quite definitely to its partner in the collective bargaining agreement and the bourgeois state that should have at least a long-term self-interest in a stable labor union movement--at best was valid only for a relatively short time. This difference in the anomie from about 1978/79 to 1982/83 was externally triggered by the second oil price shock, the rapid deterioration of the worldwide economic trends and in many industrialized countries by the change in governments up to political and economic concepts of the neoclassics or of monetarism, the dismantling of the social welfare state and of the open struggle against the employee interests and the labor unions.

Internally the labor unions were faced with the understanding that the crisis since the mid-70's could be explained in terms of the economic trend and could be cured accordingly, but that structural reasons and mechanisms were present to which their economic-Keynesian prescription files frequently did not provide any conclusive answer. Furthermore, their claim to speak for all wage-dependent workers and to represent their interests in a quasi-monopolistic manner was shaken in many countries by the rise of ecology and peace movements, a development that for the most part took place without involving the labor unions. And thirdly, the rapid introduction of new technologies in production and administration with their unforeseeable consequences for qualification, work organization and conditions, unemployment, and worker awareness shook the decade-old self-confident "technical-progress optimism."

During this time the big national labor union movements in Europe were apparently paralyzed. This applies to the FRG where not a single areawide, forward-looking collective wage agreement could be concluded and the political government shifted to the right to the disadvantage of the labor unions; this also applies to Italy where an in-final-analysis unproductive defensive action for parts of the scala mobile so exhausted the union forces that there was little left for a future-oriented wage and social policy; the same also applies to France where interim progress was achieved in the first two years of the leftists government, especially on the political level and thus in public

opinion not immediately attributable to the labor unions, while the change to austerity was shared by the labor unions with relative discipline (a detailed analysis of the possibly deviating policy of the PCF and in its wake also of the biggest union umbrella organization, CGT, after the breakup of the popular front in the summer of 1984, cannot yet be performed); and finally this applies especially to the British labor union movement which has been challenged almost openly to a fight to the finish and which until the closing of the coal mines had lost influence and power of resistance as no other Western labor union movement.

A survey of smaller labor unions in The Netherlands, Belgium and Denmark shows a clear retreat in the face of the crisis consequences and a readiness to accept crisis sacrifices, such as wage reduction, welfare state reductions and finally reduced political weight. Merely in the traditionally extremely social partnership systems of Austria and Sweden was it possible to maintain the labor union policy central positions, such as employment-oriented economic and labor policy in national isolation without exerting an attraction worth mentioning on other countries and labor union movements.

The situation of the labor unions worldwide until 1983 represented a mixture of resignation and readiness to adapt to the crisis-like general conditions, considerably shaped by deficiencies in theoretical analyses, practical impotence to act, vague hope for medium-term success of the modernization strategies, declining rates of organization and membership figures and the attempt to retain at least the core membership of the skilled workers. This can be observed most clearly in the U.S. and Japanese labor unions that are not discussed in the following in detail, but the trend also applies to most European labor unions.

## II. The Analytical Interest--the Question Concerning Things in Common and Differences Among the National Labor Union Movements

Despite occasional verbal or selective programmatic beginnings (qualitative growth, environmental investments, full employment concepts of traditionally Keynesian character), the labor union perspective at the end of the 70's/early 80's was in effect characterized rather by "digging in" and "hibernation" than by an active change-and implementation-related autonomous orientation towards the future and the alternative proposals in the fields of economic and social policy corresponding to the new world-economic situation. This was caused not only by the change of the governments and their economic concepts but also by the inability of the labor unions to switch from a cooperation-oriented integrative policy up to the end of the 70's to an independent policy assimilating the critical social initiatives (peace policy, arms discussion, criticism of technology, criticism of growth, environmental sensitivity, future of labor) under rapidly worsening general economic and social conditions in the early 80's.

But the year 1984 could become--and that is the general thesis of the following individual national analyses--in a sense contrary to Orwell, not "year one" of the total resignation of the labor unions in the face of an unalterable inherent techno-economic development but to a long overdue start of restructuring the labor union power of action and thus to the beginning of the resistance against the crisis management strategies prevailing up to this point.<sup>2</sup> This

can be concluded not only from the open disputes in Great Britain and the FRG, but also from the more hidden potential of fundamentally adaption-oriented labor unions of social partnership origin (relative success of an active employment policy, clear beginnings of a direction of structure and capital investment, development of thus far neglected labor union levels of actions) and the most varied uncoordinated individual forms of resistance in many national labor unions (e.g., strikes in Belgium, conflicts in state enterprises in France). The central spectacular resistance actions within and outside the accepted framework constitute only the tip of the iceberg. Moreover, more precise study reveals a broad spectrum of occasional uncoordinated, though frequently quite effective, resistance actions against the deterioration of the working and living conditions which at any time become the starting point of a systematic offensive of the labor unions. The analytical course of action is derived from this assessment of the situation. Data on the degree of labor union organization, on unemployment, on the overall economic price development and the growth rates confirm, in a first step for the big countries of Europe, common trends of the national states but also provide in each case the relative position of the country and thus the framework of action of the labor unions in comparison to one another. In a second step, essential aspects of the labor union structure and of the labor union self-image are mentioned in order to discuss against this background then thirdly the changes of the relations between the labor unions and the entrepreneur associations and especially the state (corporatism discussion) under the narrowed general conditions. Fourthly, in the main part of the national analyses, the current labor union policies and their changing trends are described, interpreted and studied as regards their probable future prospects. In the concluding comprehensive part, the findings obtained from the national comparison are systematized and the special labor union ways of looking at problems and risk potentials are sifted out. From the overall analysis of the development since the second half of the 70's through the potential turning point 1984, the most important requirements for action of the labor unions in European perspective are spelled out for the next few years.

### III. Federal Republic of Germany--Remembering Its Own Strength

The FRG occupies a middle position in an international comparison, with a union organization rate of somewhat over 40 percent, the unemployment rate of 8.5 percent, in the European comparison is still relatively favorable, as well as the price development and the growth rate of the 1984 GNP, each an estimated 2 to 3 percent. Except for the rate of inflation these data, analogously to the other highly industrialized states, in the time-series comparison indicate a clearly worsening trend. Thus the economic and social crisis affects the FRG only marginally less. However, the labor unions organizationally are relatively well equipped to defend the employee interests. Three structural principles of the dominant DGB labor unions guarantee at least formally a relatively high power of accomplishment:

--the principle of the united labor union which in an international comparison has been largely achieved despite some small competing organizations;

--the principle of industrial labor unions, i.e. organizing by one plant labor union;



--central orientation in the evaluation of the collective and also political levels of negotiations of the labor unions, which permits institutionally and informally an assured and close contact in the union external relations with entrepreneur associations, parties and the state.

Nevertheless at the beginning of the 80's no one would have dared to predict that it would be the German labor unions of all people that would advocate in 1984, with classical collective bargaining autonomy, the goal of a reduction of the workweek to 35 hours with full wage increase to compensate for reduction of working hours and thus jeopardize the dominance of the employers concerning the conditions of using the manpower under the worsened general economic and social conditions. Similar to many other countries, a liberal-Social Democratic government era had ended, mass unemployment continued to grow in leaps and bounds, the successive reduction of the social achievements of the welfare state intensified, the unions had to accept considerable membership losses<sup>3</sup> and the unique moderation in wage agreements on an international level (successive real wage losses for several years) by no means was rewarded by an at least informal readiness to cooperate between state and labor union leaderships. On the contrary, the government openly sided in favor of the employer position in the wage conflicts, made public observations on an association law and tried to aggravate the precariously split internal situation of the labor unions by legally favoring the preretirement regulation against the workweek reduction. The situation since the end of the 70's presented itself as follows for the German labor unions:

--The crisis analysis now clearly indicated the dominance of epochal structural disruptions and long-term growth weakness and thus the farewell to the wishful thinking, long cherished especially in the labor unions, of a crisis that may be deep but in final analysis only caused by economic factors.

--The traditional labor union basis of the qualified industrial work force dwindled with the shrinking of the especially affected key industries of iron and steel, mining, machine building, printing, and textile, while the labor unions only inadequately succeeded in convincing employment groups such as salaried employees, officials, but also women, youth and generally the marginal employees of the necessity of union organization.

--Mass unemployment and the pressure of the reserve army of jobseekers on the labor market worsened the negotiating position of the labor unions in the allocation discussions and tended to split the "factor labor" represented by the unions into jobholders and jobseekers.

--The attempt of the labor unions to establish in this critical situation a stronger relationship between organization and membership through regionalization of collective bargaining, testing of a new mobility in wage disputes, expansion of codetermination also to the job level and a labor law offensive was fought by the employers with open or hidden support of the state/government. They bet on the centralization of the wage negotiations, successfully warded off initiatives for codetermination, obtained a broad interpretation of the lockout right and eroded the binding character of cooperative verbal agreements.



When some important industry-wide collective bargaining agreements on working hours expired in 1984, at first five DGB member unions, including the then strike-active IG Metall (Industrial Labor Union for Metals) and IG Druck und Papier (Industrial Labor Union for Printing and Paper), decided to fight for the introduction of the 35-hour workweek with wage increase to fully compensate for reduction of working hours. Quite different reactions to and prospects beyond the current economic and social crisis combined in this ambitious goal:<sup>4</sup>

--A further increase in the mass unemployment was to be prevented by redistribution of work. This would prevent the divisiveness between employed and unemployed.

--Further reduction of mass purchasing power was to be avoided by stabilization of the real wage level.

--Better compatibility of the different demands of occupation and family and work and leisure time, respectively, was to be achieved by the reduction of daily working hours.

--Further jeopardy of the worker and of health by growing workloads because of unfavorable duration and position of the working hours was to be avoided.

--Resistance in the plant to increasing output demands and comprehensive rationalization measures was to be strengthened.

--Making working hours more flexible individually solely to meet plant requirements was to be avoided.

Generally what was at stake was to stop increasing entrepreneurial power of control concerning the terms of application of the human worker regarding price, working hours and work organization even under the restrictive general conditions of the crisis. The labor unions tried, confident of their own strength, to stop the growing asymmetry of the social distribution of power to their disadvantage and to prove their power to act externally towards the collective bargaining partner and the state institutions but also internally towards their uncertain membership. This succeeded as a start with the approval of the 38.5-hour week--in the case of the IG Metall, however, with the flexibility proviso that the new workweek time is to represent only an average figure--with full wage increase to compensate for reduction of working hours with a relatively short term until the end of 1986.<sup>5</sup>

But the working hours taboo of the 40-hour week was breached after a hard strike lasting several weeks and an extensive lockout and, in the additional plant negotiations now being carried on, there is the possibility to settle in writing in plant agreements overtime regulations, important working conditions and limits of stress as well as control rights of the works council. The high value placed on this contract compromise in the eyes of the foreign labor unions has been demonstrated, for example by the reaction of the Italian CGIL: "The hardest labor dispute for half a century has come to an end in the FRG. A wall was breached: the 40-hour week. And that in a country whose economy continues to be the strongest on the continent and whose labor unions appeared to show little

readiness to fight in past years. With this achievement the FRG labor union movement belongs to the vanguard of the labor movement in Europe in the struggle for the rights of the workers, for a humane working world and especially for the fight against unemployment.<sup>7</sup>

#### IV. Italy--The Long Runwell

With a declining degree of organization of officially 43 percent<sup>7</sup>, an unemployment rate of 10.6 percent (and the highest youth unemployment in Europe), an inflation rate of over 15 percent and a GNP growth rate of 2.9 percent, the crisis situation for the labor unions in Italy is more pronounced than in the FRG. Moreover, organizationally they are less prepared even though considerable changes in their structure and their self-image occurred in the 70's.<sup>8</sup> The degree of organization increased from roughly 30 percent at the end of the 70's, whereby however the traditional gap between a relatively high degree of organization in the industrialized north--and here especially in the metallurgical field (over 60 percent)--and the underindustrialized half-feudal agriculturally-structured south could not be overcome.

The sharp ideological division between the big ideological labor unions CGIL (communist-socialist oriented), CISL (Christian--leftist-Catholic--socialist-oriented) and UIL (Social Democratic-Republican oriented), which shaped the internal union disputes until the mid-60's, was lessened because of the labor disputes conducted unitedly on plant level in the "hot autumn" of 1969; new forms of cooperation were found. Thus since 1972 there has been an umbrella organization with equal representation of the three big federations and the metal workers unions have merged into a unified industrial union, FLM, and thus has achieved additional importance in the union movement and in the disputes with the private and state metal-industry employers. But this development hardly touched the varied sectorialities of the federations. The preponderant part of the CGIL members (55 percent) continues to be employed in the industry, while CISL and UIL, with 30 percent each, have organized a disproportionately large share of those employed in the service sector.

Since the end of the 70's, three phases of the development of labor union policy can be differentiated.<sup>9</sup>

On the basis of the so-called EUR compromise (a kind of informal social contract), an active expansive wage policy was abandoned from 1977 to 1979 in favor of state/entrepreneur-dependent promises of a qualitatively oriented policy in the fields of employment and labor market, development of the south and tax and health reform. Quite similar to the "social contract" instituted somewhat earlier in Great Britain, the labor unions were able to prevail with and achieve their policy of renouncing wage increases--though with great efforts--but they received only highly inadequate and disappointing considerations in return in the form of unadopted bills or a completely inadequate practical implementation. Finally, in Italy, too, the attempt at establishing a strong concerted action under the restrictive general conditions of the crisis led only to a dangerous additional weakening of the labor union movement, which on the central level lost credibility on account of the failure and on the decentralized level accelerated the process of replacement of the grass roots

delegates and the development of autonomous plant and professional labor unions.

Against the background of a further worsened economic situation, the threat of state and entrepreneur federations to take unilateral decisions in case of "lacking readiness to negotiate" on the part of the labor unions, and the weakened position of these labor unions themselves, the latter finally accepted in the second phase in January 1983 a general central agreement to combat inflation in which they had to accept for the first time a reduction of the "scala mobile" and a return for that merely achieved a few advantages or protection of the stable skilled worker core groups in the sectors of the economy that are still secure. Thus for the first time since the autumn unrest of 1968, the hallowed principle of the equality clause of labor union representation policy--as it was quite clearly the basis of the social contract negotiations--was decisively breached.

Therefore it is not surprising that it is precisely this point of breach that instituted one year later the third thus far most critical phase of the development when the government, following fruitless negotiations with employers and labor unions, prevailed with an anti-inflation pact containing a further reduction of the wage equalization with egalitarian effect by a decree. Even though the complex domestic, party, and government policy situation has thus far prevented implementation into practice, Italy's labor union movement, unified in the umbrella organization, was led to the edge of a split. The CISL and UIL closer to the government parties accepted the weakening of wage indexing and were supported therein by the socialist wing of CGIL, the biggest labor union federation. However, the communist-oriented wing of this federation, based on the votes of the radicalized factory councils, rejected any change in the wage adjustment mechanism under the impression of massive membership defections to autonomous-separate representations of interests.

In this very dangerous situation, the wage agreement with reduced working hours in the FRG appears to have been recognized by the Italian labor unions as an opportunity to escape from the dead end of the wage adjustment and inflation problems dictated by the government, to concentrate on the formula of the workweek reduction (probably 35 hours without full wage equalization) and thus to merge once again more closely. Thus it can be expected that the Italian labor union movement--in the coming year--in 1985 with expiring industry-wide collective bargaining agreements--for the first time will develop a uniform progressive, future-oriented collective bargaining strategy appropriate for the problems of the new technologies and unemployment following the last wage policy successes of the mid-70's, independent of the influence of the political parties associated with the ideological labor unions.

#### V. Great Britain--Beginnings of a Future-oriented Defensive Action

The still relatively high rate of union organization of more than 50 percent has declined very greatly<sup>10</sup> since the end of the 70's, the rate of unemployment, with slightly under 12 percent, is the highest among the big European industrial states, the rate of growth is average, only the rate of inflation has drastically declined in the past two years, probably at the expense of the

other indicators presented here. Moreover, the British union movement had to wrestle with massive organizational-internal problems.<sup>11</sup> On a decentralized level, frequently agreements are concluded between management and shop stewards and their committees that do not correspond to centrally agreed guidelines and moreover concentrate the perspective on the quantitative wage aspect on a plant level.

Thus the doubly split situation occurs that on a plant level questions of wages and salaries are treated more progressively while on the central level the quantitative aspect is discussed restrictively but the qualitative components of the wage policy are discussed comparatively intensively with emphasis on the various possibilities for the reduction of working hours. The discrepancy within the British union organization between umbrella federation and the organizational principle emanating from it and plant union representation by the shop stewards and the organizational structure created therewith determines the British union policy in its contradictoriness but also its ability to resist the increasingly massive and meanwhile permanent attempts to restrict union autonomy. This double structure has reasons which can be found especially in the historical development of the unions but also in the other general economic and social conditions.

Outstanding characteristics to differentiate the British union movement from the continental-European one are the multi-union principle and the fragmentation into many separate unions resulting therefrom, the very close semi-institutional link of the union with the Labour Party, closed-shop regulations (complete organization of a plant in only one union) of various shades and a labor law oriented towards protection of the individual with corresponding liberal regulations on labor disputes. Everyone of these four significant characteristics provides explanatory elements for the dualistic structure of the British union organization and its influences, TUC and shop stewards:

--The multiunion principle creates delimitation conflicts among the various unions represented in the plant and also conflicts in the representation of interests in relation to the plant management. The objective pressure to join together on a plant level in committees, to which shop stewards of various union affiliations belong, counteracts the fragmentation into separate unions and strengthens the plant independence of the stewards.

--The close ties of the unions with the Labour Party, especially on the level of the umbrella organization and the tendency to accept party-policy programs in the union movement without formulating ideas of their own, contributes to union pragmatism and to the trend to accept a strong integration in state crisis management, especially under Labour governments, something that frequently is not being tolerated by the plant wage policy of the shop stewards.

--Closed-shop regulations strengthen the negotiating position of the shop stewards by reducing the union diversity in the plant and increase the quantitative organizational base, but at the same time imply increased independence from the official union organization and therefore are also supported by many plant managements.

--But since labor law does not (yet) possess any formal legal regulations that define a right to strike positively as a basic right, but legal regulations exist that grant rights to the strikers, moreover wage contracts as a rule are nonbinding declarations of intention and are not actionable and are not tied to an obligation binding on employers and unions to avoid industrial action during wage negotiations, constant readiness for conflict of the employees and their plant union representatives is necessary to safeguard achievements once they have been attained. The British union movement depends on a high latent plant conflict level for its existence.

That was the organizational-structural initial position when with the success of the Conservative Party in the 1979 elections also a political attempt was ended to remove the explosive force from the economic crisis as part of a "social contract" between Labour and the union leadership. The economic problems of the country already at the beginning of the 70's were bigger than in many highly industrialized countries on account of the country's industrial obsolescence, its low productivity and the disintegration of the colonial heritage and the labor movement was on the defensive with its traditional Keynesian demand-oriented approach with inadequate international competitiveness.

But it was not until the drastic cure of the neoclassical monetarist economic concept, carried out with unparalleled rigorousness supplemented by measures conforming to this concept such as reduction of social insurance benefits, adoption of anti-union laws, denationalization measures and pressure on employees by calculated acceptance of mass unemployment, demonstrated the first weaknesses of Labour and the unions. First of all, the identification of both among large segments of the public was harmful in each case to finding an independent, identifiable and credible position. Secondly, the first phase of the crisis occurred at the time of the Labour government and its social pact with the unions in the mid-70's and it became apparent that the economic policy at that time failed. Thirdly, the old mechanisms and the broad solidarity of the "worker culture" no longer took hold to the degree usual in the past in view of new media, growing individualization of work and life and the decline in the share of mass production with its typical work organization. Under these conditions, the practice of the "closed shop" produced non-active members rather than strengthening and assuring necessary motivation and commitment of the employed so necessary in decentralized plant-oriented labor relations.

The Conservative government openly threw down the gauntlet to the unions by restricting the right of pickets in two "employment acts" of 1980 and 1982, making possible actions for damages in case of unofficial strikes, banned political strikes and moreover plans to reduce the freedom of collective bargaining of the public service union, however made possible establishment of a "war chest" for struck employers.<sup>12</sup> Beyond that, it broke off the contacts to the unions in the central, mostly tripartite, discussion and control institutions and instead intervened by directive--in an open or concealed manner--in the collective bargaining relations, especially in the public industry and services field.

These frontal attacks, the rapid increase of mass unemployment, the relative success of the government in the monetary and inflation policy, the continuous



propaganda of trimming down in favor of the subsequent allegedly certain upturn and the conceptional and personal incompetence for years of the Labour government headed the British unions into perhaps the worst crisis of their history. The membership figures declined drastically and the structurally anyhow weak unity of action in the TUC fell apart even more and the formation of wings between leftist struggle-oriented unions, such as the printers and miners, and the unions willing to cooperate increased, the contradictions between the plant shop stewards and official union functionaries on the regional and national level became more pronounced and until 1983 the British example demonstrated to an amazed world public the swift decay of one of the oldest, most aggressive and self-confident union movements resulting from internal inability to reform and varied pressure. Nonetheless this trend appears to be doubtful since 1984 and thus also the power of those moderate union leaders who were ready to accept the legal restrictions on the union to attune the union to the new realities and to resume the dialogue with the government from a weakened position.

Three movements that developed in part for years in the shadow of the Conservative economic and social policy are now coming to a decision and are creating a mobilization potential not considered possible even a short time ago for the workers movement and especially for the unions:

--The struggle for existence of the coal miners and the open, total confrontation between the mine workers union and the state coal directorate created a political situation which is not dissimilar to that of the fall of Heath in 1974.

--By the persistent, practical-concrete and exemplary development and widening of a humane technology concept as part of the armament conversion debate (Lucas-Aerospace, CAITS, ecology and peace movement and their contacts to critical union members) the beginning of a public awareness was created concerning the controllability of technical, economic, and social change. This openly contradicts the laicistic market concept of the ruling policy.

--The attempt of the Thatcher government, unpopular even among its supporters<sup>13</sup>, to destroy the successful creative and innovative beginnings for a linking of the creation of new jobs and control and humanization of working conditions in the big cities by dissolving the regional administrations has massively harmed the reputation of the government and its policy.

Against the background of constant retreat and an increasing paralysis of the labor movement since 1979, this future-oriented regeneration of important segments of the labor unions is very instructive also from the perspective of the international labor union movement because it represents a challenge to be taken seriously and perhaps the decisive challenge of the restrictive economic course, as is shown by a brief analysis of the GLEB (Greater London Enterprise Board) concept.<sup>14</sup> Starting from the product conversion proposals (armament versus socially useful goods) as they were discussed and developed by a union committee with Lucas-Aerospace and subsequently by CAITS (Centre for Alternative Industrial and Technological Systems), the Labour-oriented GLC (Greater London Council) adopted the idea based on regional industry analyses to prepare an alternative regional economic concept for the creation of skilled and future-oriented jobs. In 1983 alone, 30 million pounds was invested in saving and newly establishing



enterprises and 2000 jobs in 71 enterprises were maintained or newly created between May and October of that year. GLEB--an independent organization with 71 employees, a board of directors chosen by the GLC, whose chairman is a high union functionary, and a present annual budget of 140 million pounds--intervenes in case of imminent shutdowns, rehabilitates by changing over to new products and insists on the introduction of codetermination rights for the employees. The knowledge of the industrial workers, gained from experience and scientific findings, are brought together in the form of decentralized technology networks--similar to the Dutch science shops--with mainly regional and/or subject emphasis. In these shops an attempt is made, with support from the universities and research institutes, to make product proposals ready for application. If the production succeeds, at first a share of the profits goes back to "network," later on these enterprises can start their own businesses. Examples of successful work are:

- Construction of a prototype of a wind-powered generator for the Third World;
- Development of an iron lung for home use;
- Play and sports equipment for spatially cramped kindergartens;
- Automatic supplementary steps for the handicapped in London buses;
- But also an "energy network" where groups of tenants jointly inform themselves about possibilities for savings with regard to energy costs and themselves experiment with such possibilities.

A precise political philosophy is connected with these practical-concrete examples of socially meaningful product and process innovations: Satisfaction of thus far unsatisfied, by latently existing demand is achieved by the specific development of socially useful products; encouragement of alternative forms of ownership as cooperatives or ownership shares of the employed as well as new forms of work organization are sought and are connected with the development of information and codetermination rights of the employees. This is a strategy which differs from the past rather ineffective worker control activity of the traditional left<sup>15</sup>, as well as the productivity fetishism of the new right. The Conservative government has recognized this threat and consistently tries to destroy through political elimination of the GLC the alternative approach of the GLEB that is financially supported by it. Together with the struggle of the miners, the struggle supported by the people to maintain these local and regional political economy alternatives could develop into a decisive barrier against further intrusions of the Conservative government into the life and working world and could become the starting point for a trend-setting restructuring of the British union and political labor movement.

#### VI. France--The Tragedy of a Regimented Labor Union Movement

In the European comparison made here, France, with roughly 22 percent, has the lowest degree of organization, it is at best in the average rate with an unemployment rate of 10.3 percent despite a demand-oriented policy conducted in the meantime and has to deal with a relatively high inflation rate of over 10

percent and far below average growth rates. Despite the existence of a leftist government with a clear majority since 1981, the French labor union movement and especially the two biggest anti-capitalist federations, CGT and CFDT, are in an extremely serious crisis. The decline of these unions dates back to the mid-70's, i.e. to the beginning of the structural crisis in the coal, steel and textile industries. Neither mass demonstrations in the hardest hit regions, which were favored by the CGT and which repeatedly took the form of political general strikes, nor the attempt supported by the CFDT to create and test new plant and socially relevant models as examples within the framework of worker production cooperatives (autogestion) were successful in the long run. The austerity and modernization policy pursued by the then liberal-conservative government directly resulted in mass unemployment. Dismissals and insecurity among the employed sharpened the worker awareness of the discrepancy of verbal attacks and practical helplessness especially in relation to the two most active labor union federations. The CFDT and even more the CGT lost members, clearly lost votes in the elections (labor union sections, works council elections, social insurance assembly elections)<sup>16</sup> and were less and less able to offer autonomous resistance to the very conservative French entrepreneurs but also to the technocratic strategies of the political parties. Parallel to that, the three reformist labor union federations, CGT/FO (Force Ouvriere), CGC (Confederation generale des cadres) and the small Catholic CFTC gained the favor of the voters. Even the worker-oriented policy during the first year of the leftist government<sup>17</sup>, in the consciousness of the public and of a large part of the workers, was attributed more to the governing parties and less to the labor unions.

When in June 1982 a half-year wage and price freeze heralded the austerity policy compelled by the high rate of inflation and the growing foreign trade deficit as a consequence of the demand-oriented solo effort by France--at first supported by the labor unions--the problems multiplied. Even the new labor law, which helps secure the position of the unions in the enterprise and in the long term aims at the institutional embedding of a genuine readiness to negotiate by both sides, in the existing critical situation can undermine the collective and system-critical attempt of the two big leftist labor unions because of the demand for "readiness for responsibility" and the priority position of the "freedom of expression" of the individual and of small production units and thus contribute to their further weakening. The possibility cannot be ruled out that the governing leftist parties, which receive hard criticism from their own voters, are making use of the two leftist unions, which are classed with them, so to speak as backstop for their austerity policy which is very unpopular among the workers. Aside from this political calculation, in summary an entire series of economic and social reasons can be named for the enormous difficulties of the French labor unions:<sup>19</sup>

--The especially great reverses of the CGT are probably attributable to the close association of this organization with the PCF and its unpopular policy of termination of the "Joint Program" in 1978, its heavy embedding in the industries most affected by dismissals and its concentration on the declining group of highly qualified skilled workers.

--Starting with the end of the 70's, union policy in fact confined itself to the defense of the achievements obtained since May 1968 but which benefited in full

only the--declining--core of the workers. No systematic policy was pursued for the unemployed, the unqualified and especially the foreigners.<sup>20</sup>

--A deep and increasing segmentation of the French workers and thus an epochal crisis of a class conscious worker culture resulting from the fragmentation into qualification groups, racial groups, sex groups, etc, whose privileged stable part is more inclined towards the "rational" evolutionary policy of the "feasible" of the reformist union groups, while the underprivileged insecure part traditionally is not addressed and represented enough by the unions.

--The trend to conclude generalized collective wage agreements on central, national level in coordination with the governments concerned and thus tending to leave out of consideration fringe groups and peripheral problems, especially in the field of the socially weak. But in the crisis these groups neglected by union wage policy and their specific problems increase.

--Finally, varied attempts of the enterprises, especially in the private sector but also in the nationalized area, to counteract the labor union influence on plant and departmental level with the aid of new management techniques, social technologies and forms of the quality circle system and apparently meet traditionally "leftist" demands for reduction of hierarchies, posing the problem of assembly-line work, more codetermination in production and administrative processes while maintaining the profit and productivity postulate.

The prognosis is gloomy in view of this multiple crisis of the union movement in France--and it would be a profound mistake to believe that the desolate state of the leftist labor unions would be compensated by the upswing of the reformist labor unions, for in the past there was informal cooperation of the two camps with a clear division of roles of aggressively anticapitalist demands and moderately system-related agreements the condition of labor union successes.<sup>21</sup> It appears questionable whether the withdrawal of the PCF from the government provides more leeway and especially more innovation and creativity for the CGT in the discussion of future-oriented questions of technology, rationalization, making things more flexible and the development of new organization and action potentials. On the other hand, the same applies to the traditionally labor-unionist policy of the CGT FO. It must be feared that the agenda in France in the next few years will be determined by the spontaneous, violent and to some extent bloody eruptions in the enterprises of the automobile, steel and coal sectors foreseeably affected in view of the government plans, by shutdowns and extensive rationalization measures. Then it will become evident whether the considerable reforms in an international comparison of the government in the sociopolitical, labor law and labor-market political fields can safeguard and cushion the modernization concept in terms of social policy. The rightist alternative of such a policy--modernization with simultaneous dismantling of the welfare state--develops with good chances. A leftist analysis is not in sight in France at this time.

## VII. Belgium, The Netherlands and Denmark--Retreat From Corporatism

When the labor union problems of these three countries are dealt with under a common perspective--dissolution of corporative patterns of relations and the

difficulties of developing new labor/capital relations--by no means should the impression be created that the union institutions and structures of these countries are also becoming alike. In addition to the government changes to rightist-center coalitions, last in Denmark in 1982, the economic and social policy switch to a neoclassical austerity policy implied therein, the very high unemployment rates compared to the EC and a differentiated tradition of corporative patterns of relations among the state, entrepreneur associations and labor unions, there continue to exist a series of important differences whose importance for the concrete problems of the labor unions in these countries is of great importance:

--the ideological labor unions in Belgium and The Netherlands face a unified Social Democratically oriented union movement in Denmark;

--the strong regional differences in Belgium are in contrast to a homogenous national structure in The Netherlands and Denmark;

--while the union organization rates in Belgium and Denmark, with 70 to 80 percent, are in the highest in Europe--especially on account of the unemployment benefits administered by the unions--in The Netherlands the organization rate is barely 40 percent with a declining trend.

--While in The Netherlands a decentralization of the wage policy to industry and especially enterprise level can be observed, instituted in part consciously by the unions for stronger involvement of the membership, in part also forced by the enterprises in their own interest, in Belgium and Denmark the central national leaderships of the industry unions or of the umbrella federation play the most important role with regard to wage policy.

But decisive for the change in the labor relations and for the solution of conflicts in these countries and therefore also for new forms of union action and union resistance under crisis conditions in the 80's is the declining importance of central corporative institutions of state or government representatives, entrepreneur federations and labor unions.<sup>22</sup>

In Belgium it is the Central Economic Council and the National Council of Labor that are involved; entrepreneur associations and proportionally ideological labor unions have parity representation in these bodies but the representatives are appointed by the government and are working with it in closest coordination, by government and parliament so "conferring" on economic problems. Moreover, the National Council may conclude wage contracts overlapping various branches of industry and thus constitutes a kind of social parliament that takes care of a quasi-legal function for the entire private sector.

Into the 70's in The Netherlands, the Foundation of Labor with parity representation by top functionaries of the employers and labor unions and the tripartite Economic and Social Council, composed of representatives of the government, the entrepreneur associations and the labor unions, played an important role in advising the government in all economic and social questions. According to the Dutch Works Council Law, the Economic and Social Council even had a codetermination function in the establishment of works councils in small enterprises.

In Denmark, the Economic Council observes and coordinates; it consists of an executive of three economists, the chairman appointed by the minister for economic affairs and up to 24 other members from the economic lobby, including also four union representatives--the "economic interests of the country," i.e. it is supposed to see to a balance in the general interest, among other things also against the "special" interests of the workers. In addition, there are central councils for work environment, for the apprenticeship system, and for the vocational training system, which advise the technical ministries concerned in different composition of union, employer, craft and technically competent official representatives and control adherence to the legal regulations.

The loss of functions of these institutions is most pronounced in The Netherlands where the collective bargaining competence is being transferred more and more to branch of industry and enterprise level, a little less pronounced than in Belgium where admittedly the central-national levels were able to defend their competence, but the influence of the government in the institutions provided for this purpose, and thus for the decisions of the collective bargaining parties, i.e. especially the labor unions, declines quickly. Weakest but still clearly perceptible is the withdrawal of the unions from the integration in the corporative institutions in Denmark. Admittedly the existence of bourgeois-conservative governments in the three countries is likely to have played a certain role in the labor union attitude of refusal, but what is decisive is the fact that the austerity policies are to be implemented especially through a restrictive income policy, i.e. wage give-backs, so that the union leaderships should get under the pressure of their members and that the governments increasingly prefer the quicker direct road of decrees and thus of massive interventions into the only relative collective bargaining autonomy<sup>23</sup> traditional in these countries as against the laborious, anticipatable, corporative negotiating of compromises. The entrepreneurs too, increasingly prefer legal intervention because they expect greater authority and prolonged peace in the problem areas of the economy and the labor market. In view of this changed constellation, the labor unions must remember their own strength. Strikes, informal warning strikes and demonstrations are increasing, especially in Belgium and The Netherlands, which are triggered in both countries by government plans to reduce wage indexing, by real wage givebacks and only vague promises to create jobs.

--In The Netherlands, for years the wage give-backs and real wage losses of the employees--20 percent since 1979 in the case of public officials alone--could not prevent the increase of the unemployment rate to about 17 percent. Strikes, some of them also against the partial acceptance of the flexibility concept by the Dutch labor unions, took place among the dockworkers, the printers and in public service.

--In Belgium, the "wage pact" announced by the government--declining real purchasing power with a reduction of the workweek by 5 percent without compensatory wage adjustment and the "promise" by the enterprises to increase their workforce by 3 percent--failed because of union resistance. The government had parliament give it powers for instituting these measures by legal emergency decree; the two big socialist and Christian labor union federations again responded by general strikes.



--In Denmark pressmen, physicians and slaughterhouse employees as early as 1981 struck against the economy measures of the Social Democratic government. After the rightist coalition immediately following assumption of office in 1982 revealed its plans for an immediate wage freeze, suspending the indexing system, reduction of the unemployment benefit and deep cuts in social benefits, the unions switched to alternative proposals in the field of investment, property and technology policy. They want to invest money of their own in an investment company for the creation of new jobs to be able to actively intervene in the guidance and control of the financing system<sup>24</sup>, demand an obligatory 10 percent share in the enterprise profit to feed an enterprise fund in the respective enterprise--only if the two parties cannot agree are the funds to be paid into a central fund, somewhat analogous to the Swedish model--and are striving for implementation of the general technology contract according to which the works councils obtain expanded rights in connection with the introduction of new technologies.<sup>25</sup>

#### VIII. Austria and Sweden--Examples of a demand-oriented Economic and Employment Policy

Finally, after more than 10 years of economic crisis only two examples of a consistent adherence to Keynesian or post-Keynesian economic and social policy remain among the highly industrialized countries. In Austria as well as in Sweden there existed and continue to exist favorable conditions for that. The existence of strong Social Democratic parties, strong Social Democratically-oriented labor unions, an informal consensus of the preponderant part of society concerning the priority of a full employment policy, corporative-institutional links of the main actors, state, entrepreneur associations and labor unions<sup>26</sup>, economic "nonalignment" (neither of them is an EC member) and the relatively small size of the country (cubbyhole existence) make the deviating policy of the two countries possible.

In this connection Austria, with its considerable share of nationalized industries, is betting more on the classical path of a demand-oriented economic policy to safeguard and increase jobs while Sweden, with its strong private industry, depends more on the state development of an active labor-market and employment policy.<sup>27</sup> The rates of unemployment in 1984 with an estimated 4.5 percent (Austria) and 3.0 percent (Sweden) are clearly below the OECD and EC unemployment rates, the rate of inflation not above-average high and the 1984 economic growth in these states prevails analogously to that in the world economy.

However, in both cases the state indebtedness because of the deficit-spending policy is disproportionately high; the annual budget deficit at present corresponds to about 12.5 percent of the GNP, in Austria still 6.5 percent of the GDP (in comparison: FRG estimated for 1984: less than 1.6 percent), i.e. the net budget deficit is dangerously high in comparison with other hard-currency countries. While Sweden was able to achieve a real export boom following a 16 percent devaluation, the export structure and situation in Austria continues to be critical. Compared to Sweden with a 1.5-percent share, Austria's commodity export quota is only 0.8 percent of the world exports, the growth rates are lower than those of the principal competitors on the world market, the balance



sheet as regards industrial goods continues to be negative and is heavy on the raw materials side.<sup>28</sup>

This indicates an inadequate structural policy at least for Austria, which threatens to miss the connection to the rapid worldwide change at the expense of subsidized economic policy safeguarding employment especially in the nationalized sector. Difficulties in structural adjustment and excessive state indebtedness are the two principal arguments of the neoclassical representatives against the employment-oriented economic policy or active labor market policy. Specifically the following measures are now being practiced to avoid an increase in unemployment, to reduce state indebtedness, and to push ahead structural adjustment to the world market:

Since the beginning of the economic crisis, Austria very consistently has pursued the demand-oriented economic policy with the principal aim of maintaining full employment, embedded in a policy of qualitative growth and coupled with differentiated measures of the reduction of working hours.<sup>29</sup> However, with the assumption of the government of the social-liberal coalition in the summer of 1983, a budget financing and savings program amounting to DM 2.6 billion was enacted.<sup>30</sup> What is involved are increases in the four value-added tax rates up to 32 percent for luxury articles, introduction of a tax on interest of 7.5 percent, raising of the unemployment insurance contributions and of various insurance taxes. At the same time, state subsidies in the social insurance field, such as childbirth grants, grants for educational aids, housing grants were reduced by 15 percent.

New are the relief for the first time granted for equity capital in the form of abolition of taxes on industrial capital, reduction of the property tax of enterprises and increase of the tax-exemption limit for undistributed profits. A total of DM 2.6 billion was made available to solve the structural problems of the nationalized industry. Specifically the government wants to establish an environmental fund, submit a plan for keeping the rivers clean, promote an extension of the long-distance heating system, establish a recycling agency for dangerous substances and an innovation agency with coordination functions in the development of research and technology.

With the Steyr-Puch model, the new social-liberal government has made evident the priority to safeguard jobs and wherever possible also its point of view regarding the labor market policy. The intended 895 notices of dismissal in two plants of the automobile firm with majority state ownership could be reduced to two-thirds; to achieve that goal, up to 90 percent of the workers and 35 percent of the white-collar employees work only a 35-hour workweek for a year and are paid for 38.5 hours, i.e. the jobholders bear about one third of the cost of the reduction of the workweek. In addition, the government sees to it that 100 workers will get a new job with Steyr-BMW and the public authorities assure jobs for an additional 100 jobholders by earlier placement of orders for trucks.

In Sweden the active employment policy dominates the economic and social policy discussion and practice.<sup>32</sup> The low open unemployment on an international scale must, however, be supplemented by job seekers who are "hoarded" in state work

procurement programs without a future and taken together probably surpass the number of the officially unemployed. To get out of this dangerous dead end which conceals the problems only for a short time, Sweden's Social Democratic government is treading new paths with a pro-industry program and innovative concepts of employment placement, labor market training and promotion of mobility. The economic program is based on the private sector but also on the public sector that is small, for example in comparison with that of Austria, France and Italy. Especially deflation helped achieve Sweden's export boom in 1983 and 1984 while a public building program with future-oriented infrastructure investments is to provide stimulation to the domestic economic activity with large-scale projects, analogously to Austria, especially in bridge, road and power-plant construction.

With roughly DM 5 billion, Sweden spends three times as much for the actual employment policy than for jobless benefits. There is a very far-reaching consensus in Swedish society concerning the humane, individual and social intrinsic value of work and the dependence of a modern economy on well-trained and qualified manpower. Therefore the decisive place in the system of employment policy is occupied by labor market training in centers especially created for that purpose, but also in schools and enterprises, where unemployed, perhaps threatened by unemployment and members of branches of industry subject to structural change can expand their occupational knowledge or can have themselves trained for (new) understaffed occupations while continuing to receive average earnings adapted to the economy. Geographic mobility is promoted by generous, varied financial assistance and the state pays employers who create new jobs for thus far long-term unemployed and youths half the wage for half a year.

Finally a law promulgated right at the accession to power of Palme's Social Democratic government in the fall of 1982, the thus far scattered regulations on working hours, especially for the field of overtime control and part-time employment together, improved the position of the part-time employed when performing overtime work and expanded the rights of the partners to the collective wage agreement to be able to agree on farther-reaching regulations on all wage policy levels. Even the regionalized "employees fund"<sup>33</sup> with a time limit until 1990, which was introduced under great tensions (demonstrations by several thousand entrepreneurs), which is fed from surplus profit of the enterprises and contributions of the employed opens up a new employment policy range of action. Such funds are to be provided especially to enterprises that are structurally endangered, regionally and sectorially--keeping in mind strict profitability requirements of the fund administrations controlled by labor union majority. In view of the slight strategic importance attributed to the fund<sup>34</sup>, this partial aspect will possibly reach greater importance in the future.

Undoubtedly the successes of Austria and Sweden are impressive in maintaining jobs and thus in decisive key problems of the labor unions in comparison with the other countries presented here. It is also undisputed that in both countries the historically developed, strong and corporatively arranged position of the labor unions is partly responsible for the active employment policy.<sup>35</sup> But in addition to the economic difficulties, discussed above, of a demand-oriented economic policy under the current international economic condition and the

technology-policy alternative discussion, largely absent or conducted in a small circle, there result also for the labor unions themselves structural and self-image problems from their corporative integration and the restricted capacity to act resulting therefrom. The corporative Swedish and/or Austrian model has special conditions and produces special consequences:

--centralization within the labor unions, i.e. greater competences with the umbrella association than with the sectoral member unions;

--successful integration of blue and white collar worker interests as well as of party-political and/or religious factions;

--concentration of the decisions with a relatively small group of top functionaries who are also represented in the corporative institutions;

--strong integration of works councils or of shop stewards in the labor union organization;

--acceptance by society as a whole of the distribution of functions between the state and the social partners and a government close to labor unions.

Such a centralized labor union policy becomes problematical if the corporative system and thus the labor unions can be made partly responsible for crisis phenomena as they occur all the time also in Austria and Sweden since they participate in decisions as everyone can see. On the other hand, such a labor union movement runs the risk that economic-policy and especially employment-policy successes are no longer ascribed to it but tend to be credited to the directly acting government/government party. Furthermore, high centralization always entails the risk of producing apathy and disinterest of the organized workers in the enterprises and local units since they are farthest removed from the decisive levels of control. Such an organization can be internally weakened and lose capacity to act even with a stable rate of organization or further increasing membership. This could have disastrous consequences, especially in a period of very rapid technical change, considerable structural breakdowns and lasting slow growth. Since no end to these general restrictive conditions is in sight, the success in final analysis of the Swedish and Austrian model, respectively, with regard to employment policy, the safeguarding of the union potential and the active influencing of the development of technology is still pending.

#### IX. Conclusions for the Future Prospects of the Labor Unions After 1984

After a phase of paralysis of the union action potential and of systematic pushing back of union influence on society as a whole and on a wage policy level--at most selective breaches, such as by countrywide demonstrations in Belgium, decentralized actions in The Netherlands, an unexpected industrial dispute in Sweden, failed beginnings of a tripartite social pact in Italy--the resistance of the labor unions to the neoclassical laissez-faire economic policy with its negative employment effects and the swift reduction of sociopolitical achievements stiffens in some important highly industrialized countries. The same applies especially to the unions in Great Britain and the FRG, while in France

and Italy, where from the self-image, from the structure and history of the labor unions there actually exists an active, fighting movement, the action continues to be defensive and reserved for various reasons.

With the exception of a few smaller countries, such as Sweden and Austria, the national states pursue a neoclassical-monetarist economic course, although in part with noteworthy sprinkling of a Keynesian-oriented policy, especially in the fields of armament and subsidies or protection, combined with a modernization policy of the economy according to new technologies from microelectronics to biogenetics (industries of the future).

Weak growth and the large-scale employment of new labor-saving technologies resulted in mass unemployment in all countries. The costs of this development which the state incurs--future investment financing and unemployment benefits--with simultaneous reduction in revenue are paid for by a quick and drastic reduction of social welfare benefits. Even socialistically or Social Democratically led governments fundamentally do not make any exception from this trend. The spectacular reversal of the French Popular Front in 1982, for example, was duplicated less dramatically and with less effective publicity also by the leftist governments in Spain and Greece. In such a restrictive economic, social and political situation, the unions apparently must deal with a whole bunch of dangers simultaneously:

--the distribution scope becomes very narrow, the distribution struggle is very hard;

--high unemployment reduces the union rate of organization or the membership numbers;

--the new problems and their comprehensively shaping effect on the condition of society as a whole (future technologies, ecology, armament and peace, unemployment, change of values) require new goal and strategy discussions in the labor unions;

--there is the danger of splitting up the union clientele and their functionaries according to function-related criteria (kinds of reduction of working hours, or quantitative versus qualitative wage policy) and according to institutional-group related criteria (jobholder versus jobless, regular worker versus marginal worker);

--the tripartite constellation in the labor relationships among state, entrepreneur associations and labor unions is so much burdened to the disadvantage of the latter that an official or informal deviation of the unions from this (quasi) corporative system is frequently unavoidable;

--despite largely similar initial positions of most national labor union movements, international coordination or even solidarity, especially because of the national competition for the best initial position in the "computer society" and the excess burden of the unions with difficult and new tasks, is rather improbable. Nevertheless there is a great opportunity for differentiated and appropriate structural analysis of the capital crisis in the international

exchange of experience and also for productive learning from successful and definitely also from failed forms of resistance.

Despite this continued critical situation as a whole, there are signs that possibly within a short time a resurgence of union resistance to the concept and the consequences of neoclassical economic and social policy can be expected.

In France, the Popular Front government collapsed because of the withdrawal of the PCF--and thus the integration of the biggest union, the CGT, in the government policy is unsettled.

In Italy, with the abandonment of the fixation on the struggle concerning the "scala mobile" and the danger of the labor union split connected therewith, a new uniform thrust in the question of reduction of the working hours does not appear to be improbable.

In Belgium, Denmark and The Netherlands, too, sporadic, mostly decentralized-enterprise, or in case of corresponding structural problems also regional and demonstratively national, resistance actions testify to the fact that power and influence of the labor unions have by no means been broken despite a restrictive economic policy, the existence of anti-union governments and the loosening of the corporative social self-image. However, these labor union movements react to the crisis in a far more defensive manner in the form of reductions of working hours without clear priority and without wage equalization or in new forms of stronger integration in the classical capital functions. Beginnings of a forward-looking technology policy or a comprehensive long-term alternative strategy of the reduction of working hours based on social policy as they are discussed and practiced in Great Britain and the FRG are not (yet) applicable nor enforceable.

However, the examples of Austria and Sweden demonstrate that the pressure of the monetarist-neoclassical political pattern does not suffice to dislodge institutionally and informally stable and historically embedded corporative relations among the heads of state, union and entrepreneur associations even under the internationally worsened conditions of declining growth rates, sectorial and regional structural crises, the introduction of new technologies especially in the industrial process area, growing excess capacities and pro-capital governments. The two labor union-centered priorities of a demand-oriented Keynesian economic policy and an employment-oriented labor market policy have endured now in the 11th year of the economic crisis in these countries with quite acceptable violations of the inflation and state indebtedness goals. On the other hand, the critical discussion (and practice) on meaning and perspective of work, technology and humanizing of the living conditions also in the unions, especially on the macrolevel has been very unsubstantial. The protagonists of the social power in both countries, i.e. the corporative triple alliance of government, labor unions and entrepreneur associations, puts its money on a future-oriented technological structural and modernization policy of Social Democratic pattern. In this respect many labor unions in countries with worse socio-economic and organization-related conditions and accordingly less representation potentials in political decision



and control centers are much more sensitized and more innovative towards the new developments.

Despite the parallelism of economic and labor union crisis, the national action and reaction patterns of the labor unions to these crises obviously differ very greatly. Concerning the classical topics of research on "industrial relations" as well as centralization and decentralization, legalization problems, the degree of autonomous wage policy and pluralism versus corporatism concept, the countries discussed here show considerable differences and in some cases even open differences which in some cases continue into the internal structure of national labor union movements. This also applies to the growing difficulties of the national unions in the crisis to achieve greater coordination internationally and to counteract the structures of the internationally acting capital with an information and solidarity policy of their own.<sup>37</sup> But the decisive fact for the future of the labor unions in the highly industrialized countries is likely to be that in 1984--a year with a gloomy association aura definitely corresponding to the realistic general conditions--with all necessary skepticism an activation of union resistance on the decisive levels of wage and technology policy can be noted. If this beginning is enriched with a purposeful long-term working-time policy, greater inclusion especially of women, salaried employees, and of the natural-science technical intelligentsia in active union work and by a balanced and intensive interrelationship of plant, local and central level of action as well as supplemented by the consideration of external initiatives of the environmental and armament discussion, then the labor unions could free themselves of the agony of the past few years and regenerate themselves into important, perhaps decisive, actors of the shaping of society's future.

#### FOOTNOTES

1. Current examples include the disagreements among the Italian ideological unions in the question of the reduction of the "scala mobile" and the different policy line of the German labor unions in the question of the reduction of the workweek or early retirement.
2. Thus this thesis directly contradicts the sweeping general thesis of the "Prokla Volume 54," "Labor Union Movement at the End", Berlin 1984. Compare with that especially the editorial: "(It is) for us all the more astonishing when a series of articles in this issue bid farewell to hopes and expectations in the labor unions as actors of progressive social changes and of the class struggle, when the labor unions are depicted essentially as a conservative social force." (p 3).
3. 14 of the 17 member unions also lost members in 1983, a total of more than 100,000 (minus 1.3 percent); IG Metall with over 40,000 losses was most seriously affected. Nevertheless the rate of organization slightly increased because of the even more heavily declining number of employed (minus 1.8 percent), and the reduction was even smaller than the year before; Cf. DIE QUELLE, (1983) 5, p 312 ff.



4. Cf. in this connection G. Baecker/R. Bispinck, "35-hour Week, Arguments for Safeguarding and Creation of Jobs and for More Time for Living," Berlin 1984.
5. A first extensive and detailed analysis and assessment of opportunities and risks of this contract has been provided by J. Kurz-Scherf, "Working Time in Change--Analysis and Documentation of the New Working Time Regulations Under the Collective Bargaining Agreement," WSI-ARBEITSMATERIAL, (1984) 4.
6. Cf. SÜDTIROLER ARBEITERZEITUNG (monthly periodical of the AGB/CGIL), (1984), 7/8, p 1.
7. The CGIL alone has lost roughly half a million workers as members since 1978. These losses are balanced numerically by admission of pensioners who constitute today more than 25 percent of the total of about 8 million Italian labor union members and of course have no influence on the decisions.
8. Cf. on this subject as a summary W. Lecher, "Labor Unions in the Europe of Crisis--On Centralization and Decentralization of Union Organization and Policies in Six Countries of the EC," Cologne 1981, p 131 ff.
9. Concerning the successes of the Italian labor union movement in wage policy and unity efforts in the enterprises (delegates movement) and on a national level to the umbrella confederation, cf. W. Lecher, "Labor Union Structure and Wage Policy in Italy, in: WSI-MITTEILUNGEN (1977) 1, and ibid.: "The National Three-year Collective Bargaining Contract of the Italian Metalworkers Unions (FLM) of 1 May 76."
10. From 1979 to 1983 alone, the TUC lost approximately 2.5 million members and now comprises only a little over 10 million workers. The membership of the biggest industrial union, the TGWU, declined from 2.1 to 1.6 million members during that time.
11. Cf. in this connection in the survey W. Lecher, "Labor Unions in Europe...", (Footnote 8), p 108 ff.
12. Cf. HANDELSBLATT of 30 May 83 "Secret Papers Reveal Long-range Goals."
13. According to an opinion poll, Mrs. Thatcher does not even have a majority for this policy in her own bourgeois-conservative election district of Finchley in Greater London.

14. Cf. in this connection R. Klueting, "The People Are Rehabilitating Here," in: WECHSELWIRKUNG, No. 20, Feb 84 and W. Meemken, "Production Innovation Creates New Jobs--Alternative Strategies in England," in: DIE MITBESTIMMUNG, (1984) 4/5, p 215 ff. and on the same topic B.G. Spies, "Employment and Product Development--Expansion of Codetermination Rights. The Communal Policy of the Greater London Council (GLC) on New Paths," Ibid., p 213 ff.
15. Concerning the concept of "worker control," cf. D. Albers/W. Goldschmidt/P. Oehlke, "Class Struggles in Western Europe," Reinbek 1971, p 271 ff and W. Lecher/U. Sieling-Wendeling, "New Development in the European Codetermination Discussion," in: DAS MITBESTIMMUNGSGESPRAECH (1977) 12, p 221.
16. Thus the share of CGT and CFDT in the 1982 elections to the labor arbitration courts declined by 5.2 percent over 1979 and the number of CGT members dropped 10 percent between 1975 and 1980. Similar trends are noted in the works committee elections and the balance sheet of the plant union section; cf. "Prokla 54," 1984, p 128 ff.
17. Cf. in this connection W. Lecher, "France and the United States--Economic and Social Perspectives and Their Consequences for the Labor Unions," in: WSI-MITTEILUNGEN (1981), p 11.
18. For a first summary and interpretation of these laws see J.C. Javiller, "The Reform of Labor Law Since 10 May 1981," Paris 1984 and M. Le Friant, "France's Revised Labor Law," in: ARBEIT UND LEBEN, (1984) 3, p 78 ff.
19. Cf. in this connection G. Groux, Ch. Levy, "Labor Union Crisis and Entrepreneur Offensive in France--The Empirical Example of a Branch of Industry," in: "Prokla 54," p 109 f.
20. Especially the most underprivileged group of the unqualified foreign workers supported, e.g., the labor dispute--even against the moderate labor union plans especially of the CGT--in the Talbot conflict in 1983.
21. C. Leggewie, "On the Development of the French Labor Unions," in: DAS ARGUMENT, Special Volume 85, especially p 46 ff.
22. See in this connection in detail W. Lecher, "Labor Unions in Europe...", (Footnote 8), pp 35 ff and 68 ff.
23. Legal interventions in the labor relations are everyday occurrences in the countries discussed here. Thus the government, e.g., in Denmark since the 30's has intervened in 19 cases directly and decisively in labor conflicts; cf. FRANKFURTER ALLGEMEINE ZEITUNG of 15 May 79.
24. Cf. FRANKFURTER RUNDSCHAU of 15 Aug 83.

25. See in this connection in detail P. Soerensen, "Technology Contract--A Further Step in Direction of Democracy at the Place of Work," in: DIE MITBESTIMMUNG, (1984) 3, p 150 ff.
26. Cf. in this connection W. Lecher, "Works Council Law and Codetermination in Austria," in: DIE MITBESTIMMUNG, (1982) 12 and fundamentally F. Traxler, "Evolution of Union Interest Representation--Developmental Logic and Organizational Dynamic of Union Action by the Example of Austria," Vienna/Frankfurt 1982; on Sweden: L. Forseback, "Industrial Relations and Employment in Sweden," Uppsala 1980 and A. Kjellberg, "Radicalization or Japanization? The Development of the Swedish Model of Industrial Relations in the 80's," in: "Prokla 54/84," especially p 60 ff.
27. F. W. Scharpf, "Social-liberal Employment Policy--No Balance Sheet of Success," in: GEWERKSCHAFTLICHE MONATSHEFTE, (1983) 1, especially p 22 f.
28. Cf. HANDELSBLATT of 8 Feb 84.
29. Cf. for the first phase and for prognosis for the 80's actually kept up: G. Chaloupek, "Full Employment in a Single-handed Effort--Labor Union Policy in Austria Since the 1975 Recession," in: WSI-MITTEILUNGEN, (1979) 4.
30. Cf. in the following HANDELSBLATT of 19 Sep 84 and DIE ZEIT of 23 Sep 84.
31. Cf. the negotiating result among works council, labor union, enterprise management and social administration ministry, in: OEGB NACHRICHTENDIENST No. 2219 of 2 Feb 84.
32. See in the following FRANKFURTER RUNDSCHAU of 5 May 84 and HANDELSBLATT of 26 Oct 83.
33. On this subject fundamentally: G. Rehn, "Capital Fund From Employees in Sweden," in: WSI-MITTEILUNGEN, (1983) 7, p 422 ff.
34. "If the project is implemented in the planned extent and rate, the employee funds in 1990 will have a capital stock of various enterprises of roughly 14 billion Swedish crowns. This would be merely 8 percent of the value of all stocks registered at the exchange. Foreign capital has thus far acquired stocks of Swedish enterprises valued at 6-7 billion Swedish crowns." Z. Hejzlar, "Much Ado About Nothing?" in: WIENER TAGEBUCH (1983) 12, p 15.

35. The much noted industrial conflict in the spring of 1980 fundamentally also did not change anything when over 100,000 employees organized with the LO struck private industry for 10 days for a wage increase. The old corporate relationship was restored at the latest when the bourgeois government coalition was replaced in 1982. Concerning the reasons for the conflict, see N. Elvander, "The Labor Union Movement in Sweden," in: H. Ruehle/H.J. Veen, "Labor Unions in the Democracies of Western Europe," Vol 2, Paderborn--Munich--Vienna--Zurich 1983, p 400 ff.
36. O. Jacobi, "On Labor Unions and Crisis," in: LEVIATHAN, (1984) 2, p 258.
37. For the analysis of the current situation from the labor union view, cf. W. Lecher, "As Seen by the Public--Codetermination and Accounting in the Case of International Entrepreneur Activity," in: BETRIEBSWIRTSCHAFTLICHE FORSCHUNG UND PRAXIS, (1984) 4, p 384 ff.

12356

CS0: 3620/211

ECONOMIC

GREECE

AGREEMENT ON TECHNOLOGY SIGNED WITH UNITED KINGDOM

Athens I KATHIMERINI in Greek 9 Feb 85 p 8

/Text/ An agreement on applied scientific and technological cooperation between Greece and Great Britain, the first of its kind, was signed yesterday. Signing for the Greek Government was Minister of Research and Technology Georgios Lianis while Deputy Minister of Industry and Computer Technology Jeffrey Patty signed for Great Britain. The agreement provides for the development of cooperation mainly in the area of applied science and technology. These include the following: computer science, electronics, biotechnology, agriculture and food technology, energy technology, environmental technology, ceramic, plastic and synthetic materials, transportation, textile technology, shipbuilding, metallurgy, oceanography, fish raising, air and space technology, education technology, metrology and standardization, engineering, telecommunications, scientific policy and office automation.

The agreement, that will be in effect for 5 years with a possibility for extension, provides for the exchange of scientists, training trips for scientific personnel, organization of scientific and technological meetings, development of joint research programs as well as the exchange of information including information on training matters. The agreement also encourages contacts among institutes of higher learning, research organizations, private and state firms and companies. The implementation of the agreement will be supervised by a joint Greek-British committee that will meet in Athens and London from time to time.

After the signing ceremony Mr Lianis stated that the present agreement will close a big gap in the relations of the two countries that are linked with historical ties of friendship and cooperation. Mr Lianis also stressed that Greece will stand to benefit greatly from scientific cooperation with Great Britain especially in the area of advanced technology such as electronics, computer science, energy savings, etc.

Speaking to I KATHIMERINI, Mr Patty said that the agreement will promote even more the already existing bonds of cooperation between Greek and British scientists. Mr Patty praised the fact that today thousands of Greek scientists are working in Great Britain in all fields of endeavor in universities and polytechnic institutes as well as in companies and research centers. Mr Patty said that the percentage of Greek students presently studying in Great Britain is proportionately the largest among foreign students. Finally, Mr Patty mentioned the vast possibilities of joint programs especially in computers, biotechnology and shipbuilding, areas where Greece has shown internationally recognized activity.

5671

CSO: 3521/170

ECONOMIC

PORTUGAL

#### DOMESTIC CREDIT RISES

Lisbon SEMANARIO in Portuguese 29 Dec 84 p 19

[Text] In the past year and a half, economic policy has been directed toward curbing the balance of payments deficit and, in view of controls on the external debt, firms have had to resort to domestic financing.

According to figures available up to October, total domestic credit in 1984 increased by 22.5 percent over the same period last year, as compared to 28.6 percent for 1983. Credit to the public sector exceeded 17 percent, in violation of the agreement with the IMF. However, this week the Bank of Portugal said that this rate could go down to 15.5 percent by the end of the year, but even that would be over the figure indicated in the Letter of Intent. Estimates for the end of the year range around 580 million contos.

Credit to businesses and individuals rose this year by 24.1 percent according to IACEP for the period from January to October 1984, in comparison with the same period in 1983. The change in 1983 was 27.3 percent.

The deficit continues to be financed by issuing money. From January to October, the money supply (M1) registered an increase of 10.7 percent, as compared to 13.5 percent for the same period last year. Money and quasi-money (M2) increased by 22.4 percent from January to October, as compared to 23.2 percent last year.

9805

CSO: 3542/87



ECONOMIC

PORTUGAL

#### PRICE INCREASES ANNOUNCED IN SEVERAL SECTORS

Lisbon DIARIO DE NOTICIAS in Portuguese 12 Jan 85 p 3

[Excerpt] As of midnight fuel prices will undergo increases which range from 9.38 to 20 percent, while an unofficial note from the Ministry of Commerce and Tourism indicates that in coming months the following are going to go up: meat, 3.90 escudos; pasteurized milk, 47 escudos; super-pasteurized milk 58 escudos; sugar (an increase of 9 percent); mail, telephone, telex and telegrams (increase of 25 percent), transportation (an average increase of 20 percent), water (22 percent) and electricity 18 percent.

The gist of the unofficial note from the Ministry of Commerce and Tourism is as follows:

During coming months the following prices for the products indicated will go into effect for 1985:

The maximum sale price of meat to the public will go from 3.25 escudos to 3.90 escudos, which is an increase of 20 percent.

At the places where it is sold to the public a liter of pasteurized milk goes from 38.50 escudos to 47 escudos and superpasteurized milk goes from 47.50 to 58 escudos, which is an average increase of 22 percent.

The price of sugar will be affected by the increase in the established prices of raw sugar, it being estimated that the increase to the consumer will be nearly 9 percent.

The prices for the lowest postal weight; telephone, telex and telegrams will have an average weighted increase of nearly 25 percent. Specifically, there will be no increases on the circulation of books, newspapers and magazines nor on telephone calls from public telephones.

Transportation will have an average increase of 20 percent. An example is made of the Carris and STCP passes, which will have a 20-percent increase. Pre-purchased Metro tickets and Transtejo tickets will have increases of 20 percent.

Air transportation will have an 18.5 percent increase, railways, 18 percent; interurban buses, 20 percent and taxis 20 percent.

There will be increases of 16 and 11 percent for social passes in Lisbon for the LA and LC, respectively. Due to a simplification, the prices of the LB, LD and LE passes will be reduced.

The EPAL water distribution system will impose average increase of 22 percent.

Electricity will have its prices increased an average of 18 percent.

Increases in fuels are as follows: Premium gasoline goes from 99 to 109 escudos (an additional 11 percent); regular gasoline goes from 96 to 105 escudos (an additional 9.4 percent); gasoil goes from 60 escudos to 66 escudos (an additional 10 percent); industrial fuel goes from 27.50 escudos to 30 escudos ( an additional 9.1 percent) and butane and propane gas increase 10 percent."

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CSO: 3542/99

ECONOMIC

PORTUGAL

# STATISTICS ON INFLATION RATE, TRADE DEFICIT

Lisbon DIARIO DE NOTICIAS in Portuguese 18 Jan 85 p 24

[Text] Last year prices rose 29.3 percent by comparison with 1983, it was revealed by the National Statistics Institute [INE].

According to the INE the prices of "food and drink" products and "housing costs" contributed decisively to the rise in the 1984 prices to the consumer (annual rate of inflation).

Compared to 1983, the prices of products included in "food and drink" and "housing costs" rose 30.8 and 33.8 percent, respectively.

The "clothing and footwear" and "miscellaneous" categories recorded increases of 24.4 and 24.7 percent, respectively, in 1984.

Relative to the period between December 1983 and the same month in 1984, prices rose 21.2 percent, with the "housing costs" category registering the greatest change: 27.5 percent.

The 1984 rate of inflation (29.3 percent) was, therefore, higher than the 22 or 24 percent forecast by the government at the beginning of the year.

According to the INE, the changes in the consumer price index in 1984 were due primarily to the rise in prices of water, energy products, transportation, the devaluation of the escudo and the rise in the dollar.

The fixing of sale prices to consumers and the change in the system of sales of some products (bread, milk, sugar, oils, cosmetics, olive oil and fats) were other causes for the worsening prices in 1984, says the INE.

## Trade Deficit Decline 1 Million

Meanwhile, figures released by the Ministry of Commerce state that the trade deficit in the first 10 months of 1984 reached nearly \$1.6 billion, \$1 million less than in the same period of 1983, which is due to an increase in exports of nearly 13 percent from January to October.

The EEC countries were in first place among our customers. Their purchases from January to October last year totaled 3,501,942,000 contos. They were followed by the EFTA countries with 65,904,000 contos and by the United States with 55,380,000 contos. Sales to Europe totalled 20,193,000 contos. [all figures as published].

ECONOMIC

PORTUGAL

# ATTEMPT TO REDUCE EXPENDITURES SEEN FRUITLESS

Lisbon SEMANARIO in Portuguese 19 Jan 85 p 1

[Article by F. Sarsfield Cabral: "Confession of Incompetence"]

[Text] Although all the conditions for initiating a program of systematized and overall action in this area (reduction of the deficit in Public Finances) are not yet present in 1985, the government believes that the present budget year should be accompanied by a serious effort to control spending and, wherever possible, to act immediately.

This quote from the note of the Ministry of Finance, published when the budget proposal was delivered to the Assembly of the Republic, summarizes the confession of incompetence which, after all, this entire document represents. Despite the fact that it is 3 months later and despite the constant official statements promising that in-depth measures for reducing the burden of the state on the economy would be contained in it, the budget which finally emerged is a renunciation of any drastic and significant action in the reduction of public jobs. This means that we continue to postpone the indispensable reply to the very serious and central problem of the financial imbalance of the state, with everything that it implies even beyond the economy.

The tragedy is that the costs of interest and payments of the public debt--in 1985 they already take 55 percent of tax receipts--will be greater every year. The government seeks justification by blaming the service of the debt for the increase in current spending (60 percent more than in 1984 if the budget is followed!), but it would be better to draw from that the only proper conclusion: that it is vital to act as soon as possible, otherwise within a short time the interest and payments will take everything.

Instead of that we see that state consumption, which already grew 3 percent in 1984, will increase a similar amount this year (In 1984 private consumption declined 2 percent. It was at its expense and of investment that imports were undertaken). However, despite the fact that tax revenues forecast will rise 31 percent--considerably more than the scheduled inflation of 22 percent--the budget deficit will grow 32 percent, which means it will also increase in real terms, rising from 8.5 percent of the Gross Domestic Product in 1984 to 9.5 percent this year. However, in view of the succession of "disasters" we have witnessed, who believes that the deficit will remain there?

On the other hand, even removing the interest of the public debt, current spending rises 30 percent, also obviously above foreseen inflation. As far as the number of public employees is concerned, it grows every day. In this important area there are only promises of incentives for voluntary retirements and restrictions on the filling of the respective vacancies. We will not go far that way.

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CSO: 3542/99

ECONOMIC

PORTUGAL

#### INCREASED PROSPECTS FOR LABOR STRIKE IN 1985 SEEN

Lisbon EXPRESSO in Portuguese 19 Jan 85 p 4

[Article by Acacio Gomes: "According to Union Forecasts, 1985 is Going to be a Year of Strikes"]

[Text] Unlike the past year, labor conflicts have been multiplying in this beginning of 1985.

Inversely, last year was considered by some sectors (specifically in the government sector) as a year of social lull despite the fact that the austerity policy beat insistently on many doors and there was a significant decline in the buying power of the working population.

Figures available on strikes in 1984 actually indicate a certain stability. There were 312 stoppages in companies and 51 in sectors in 1984. According to the CGTP [General Federation of Portuguese Workers] these strikes represented 70 percent of all labor conflicts since there would have to be added more than a hundred other conflicts marked by occupations, marches, parades, blocking of streets, and so forth, which would give a more approximate idea of the struggles undertaken by the Portuguese workers during the past year.

These conflicts reached almost all sectors of activity, particularly affecting metal working and metal machinery activities, with 112 company strikes; 41 in the textile industry and 30 in transportation. The great majority were due to salary demands, collective contract bargaining and payment of wages in arrears.

At the level of wages, the results obtained were minor, since in more than 90 percent of the contracts negotiated or official increases were smaller than the percentage of cost-of-living increases. In the public-state sector that percentage of contracts reached 100 percent, according to complete figures of the Ministry of Labor for 1984.

In this respect, Vitor Hugo Sequeira, leader of the UGT [General Union of Workers] told us: "The results of 1984 are not of fond remembrance for the Portuguese workers; buying power underwent a brutal decline on the order of 12 percent, the situation becoming extremely serious for the working classes."



## "The Workers Cannot Bear It"

The resurgence of labor conflicts at this beginning of the year leads one to think that the "social lull" could be about to end. Vitor Hugo Sequeira even told us that "1985 will certainly not be the year for loosening the belt. Even though," he justifies, "the workers can no longer bear a repetition of 1984."

According to union sources close to the CGTP and some sectors of the UGT, 1985 should be marked by an increase in strikes and, particularly by a greater radicalization. They indicate, among other cases, the example of Portucel, in which in addition to the new strike already underway, an attempt is being made to extend it to other centers of production of Setubal, Cacia and Mourao.

According to Domingos Bandarra, spokesman for the independent telephone workers unions, however, "There should not be any significant increase in strikes in 1985. There is dissatisfaction with the union central organizations, whose actions have not attracted anyone to their side. It is probable that the CGTP, given its political structure, may radicalize some actions, however, the actions of the government of not imposing a wage ceiling, has managed to counter the strategy of the CGTP."

Ernesto Cartaxo [CGTP] is categorical, however. In 1985 "the struggle on all fronts will be intensified and carried out and conditions will be created for the fall of the government, for a new policy and a new government." He asserts: "Just as was established in the national plenary meeting of 7 December, no form of struggle will be discarded, including the general strike," adding that reliance is being placed "on the diversification of the forms of struggle," in the example of those already used last year such as strikes, demonstrations and rallies, company plenary meetings, blocking of roads, symbolic occupations, marches or vigils, none of them being rejected "beforehand."

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CSO: 3542/101

ECONOMIC

PORTUGAL

IMF REQUIREMENTS MET, NO NEW ACCORD SEEN FOR 1985

Lisbon TEMPO in Portuguese 18-24 Jan 85 p 1

[Text] Our country has complied (sometimes with leisureliness) with the goals established by the last Letter of Intentions of the IMF signed 19 June 1984. The latest figure to be learned was the rate of inflation; the consumer price index rose 21.2 percent from December 1983 to December 1984, compared to the 23 percent allowed in the IMF agreement (It is pointed out that the average 1984 inflation was 29.3 percent). The deficit in the balance of current accounts was significantly below the requirement. That negative sum was \$692 million, representing 2.8 percent of the Gross Domestic Product, while the amount set in the letter was \$1.25 billion, equivalent to 6 percent of the GDP. The deficit in the state administrative sector in 1984 was exactly the same as the maximum stipulated: 8.5 percent of the GDP. The total nonmonetary foreign debt (accumulated variation), which could have reached \$616 million in July 1984, did not exceed \$313 million. Its short-term total was \$144 million, far from the \$200 million authorized by the IMF. Total domestic credit and the long-term credit to the State Sector did not exceed the levels established for July 1984 either. Total domestic credit up to that month was 2,818,400,000 contos, compared to the 2,861,000,000 contos of the Letter of Intention. It must be said that whether it is credit or the foreign debt, the limits established for the entire year must also be observed, as the last quarterly report of the Bank of Portugal states.

Compliance with the main goals agreed upon with the IMF for the evolution of the Portuguese economy in 1984 does not mean, however, that a new Letter of Intentions is going to be signed. Members of the Executive have already let it be known that, on the contrary, it will not happen. That opinion was corroborated by a high official of the Bank of Portugal, who declared to TEMPO that a new agreement would be "prejudicial" and "unjustified" for our country. Remember that the Letter of Intentions signed last July will lose its effectiveness in February of this year. Only unexpected difficulties in the financing of the balance of payments during 1985 could lead to a new agreement with the Fund, added our source.

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ECONOMIC

PORTUGAL

BRIEFS

GOLD RESERVES DOWN--A report on the situation of the Bank of Portugal between 30 September and 22 October, published this week in the DIARIO DA REPUBLICA, disclosed that the gold and foreign exchange reserves of the central bank decreased during this period by 21 million contos, while special drawing rights held with the International Monetary Fund were down by about 45 million contos. A Bank of Portugal spokesman told ANOP [Portuguese News Agency] that this situation resulted from the fact that the Portuguese balance of payments was in deficit during the period in question because remittances of migrant workers, which have been declining in recent years, were not enough to offset the deficit. During this period, the Public Credit Board quadrupled its credits to the Bank of Portugal (for a total of approximately 5 million contos), while organizations domiciled abroad reduced their credits to the central bank (by about 177,000 contos). [Text] [Lisbon EXPRESSO in Portuguese 29 Dec 84 p 16] 9805

UNEMPLOYMENT UP--Confirming forecasts published by the SEMANARIO last week, the INE [National Statistics Institute] now reports that unemployment in our country increased 2.3 percent during the third quarter of the year over the previous period. According to INE, total unemployment affects 10.3 percent (474,600 persons) of the total working population (4.6 million persons). The unemployed female population accounts for about 33 percent of total unemployment. [Text] [Lisbon SEMANARIO in Portuguese 29 Dec 84 p 19] 9805

STATE COMPANY APPROVAL POLL--While waiting continues for the publication of the "White Book" on state companies, announced by Velga Simao for 23 January, and while there are many voices in the coalition raised against the business sector of the state, a survey by the Euroexpansao Company released this week reveals that the overwhelming majority of Portuguese approves of the existence of state companies. A total of 88 percent of those questioned by the poll showed themselves to be in favor of the existence of state companies, while 9 percent are against them. The model preferred by the majority of Portuguese is the one which pits state and private companies in competition, while the model of monopoly by private companies was the least preferred, with only 4 percent of the replies in favor. The majority of those questioned, 53 percent, attributed the deficits of the state companies to poor management, followed by political-party influence, excess of personnel and the need to provide services or products at prices below costs. [Excerpt] [Lisbon O JORNAL in Portuguese 18-24 Jan 85 p 23] 8908

EXPATRIATES REMITTANCES DECLINE--Remittances from emigrants declined during the first half of 1984 by \$64 million, according to the quarterly report of the Bank of Portugal recently released. That decline was compensated for in the balance of payments by the balance of services, particularly tourism (\$63 million). Fixed spending fell 20 percent in real terms. Recourse to foreign credit also increased by the nonmonetary sector, basically short-term loans by the State Companies and medium and long-term loans by the State Administrative Sector. That performance, coupled with the reduction in the deficit of the current accounts balance, allowed a small accumulation of international reserves in the country. The total foreign debt at the end of June was \$15,024,000,000, \$595 million more than last year. In terms of budget policy, the revenue collected exceeded that of last year by 28 percent, capital expenditures having declined significantly. From this evolution of revenues and expenses paid (except amortizations of the public debt) there resulted a negative sum of around 46.6 million contos. However, since the average totals of financing used by the State Administrative Sector in the first six months--124.7 million contos--greatly exceed that deficit, the expenditures of the complementary period of 1983 (32.2 million contos), the Bank of Portugal concluded that it was not possible to draw a clear conclusion on the degree of restriction on the budget policy. [Text] [Lisbon SEMINARIO in Portuguese 12 Jan 85 p 20] 8908

CSO: 3542/101

ECONOMIC

TURKEY

#### ISTANBUL EXPORTERS UNION TENDER POLICY PROPOSALS

Istanbul CUMHURIYET in Turkish 22 Jan 85 p 9

[Text] ECONOMIC SERVICE - Ali Zafer Taciroglu, chairman pro-tem of the Istanbul Exporters Unions meeting under the auspices of small and mid-size exporters, insists that exports can increase in 1985 only with /new products/ [in boldface] and /new markets/ [in boldface], and has offered some proposals.

Speaking with reporters at a dinner given by the Istanbul Exporters Unions at the Kalyon Hotel, Taciroglu said the union is trying to become a federation so as to prevent price undercutting abroad, to permit combined contract bids and to permit importation.

Taciroglu said the large exporters had reached strong positions today as the result of incentives provided them in past years and a similar competition could be initiated now among organizations exporting between \$5 million-\$10 million by a graduated system of tax rebates. "If a single firm had said just 5 years ago that it was going to have \$300 million in exports, we would all have smiled and dismissed it with an 'Is such a thing possible?' Now, however, it is routine and these firms are helping the nation. But if these firms were to go for \$1 billion a year in exports, then it would be necessary to raise objections, because in that case they would try to control prices on the domestic market also," he said.

Ali Zafer Taciroglu's proposals for increasing exports may be summed up in the following points:

--It is impossible to set up a program for business if decisions, whether positive or negative, are changed too often, if information about them is distributed late or they are open to interpretation, if they involve great risks for the firms taking advantage of them. For this reason, care must be taken that all economic decisions be specific, have a precise framework and mature in 4-5 years.

--Seeing that the best incentive for exports is a realistic rate of exchange, we believe it would be better to have an interim period before moving into a free foreign exchange climate in which a foreign exchange market would be established and our foreign exchange could be traded on a market.

--Supplemental tax rebates could again be used as a driving force for exports. Despite various criticisms, 20-22 exporters, each operating in a strong holding company framework, which have well exceeded today's limits with the aid of

supplemental tax rebates, are now pushing the contest on to new dimensions. A supplemental tax rebate system, applicable to about 1,000 firms now operating at the level of \$5 million-\$10 million in exports, and the competition it would spur among the small and medium-sized exporters would benefit the Turkish economy.

--The large exporters that have become strong today must be supported to allow them to hold the bridgeheads they have gained overseas. The large exporters, by setting up firms overseas on the Japanese model, can establish bridgeheads for the small and mid-size exporters.

--Bearing in mind that we have developed a strong highway transportation system, our highway transport could be integrated with nations overseas by means of container ships and ferries.

--Exporter unions must organize to meet price competition on foreign markets, and the structure of these unions must be changed to become foreign trade unions so as to include imports.

--It would be useful to implement a definite program and offer special incentives to allow agriculture and agriculture-based industries to operate on a zero-base inventory.

8349

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ECONOMIC

TURKEY

POLITICAL, BUSINESS, LABOR JUDGMENT ON OZAL POLICY

Istanbul CUMHURIYET in Turkish 22 Jan 85 p 9

[Text] Ankara (NATIONAL PRESS AGENCY/ANATOLIA AGENCY) - Opposition party spokesmen, businessmen and union leaders have expressed their views on the /24 January decisions/ [in boldface], hailed as "a new era" in the Turkish economy, as the fifth year of their implementation closes and the sixth year begins.

Erdal Inonu (Socialist Democracy Party chairman): I thought the 24 January decisions were supposed to be temporary measures to relieve a crisis. The principal burden during that brief period fell upon our low-income people and measures were taken to bring down inflation in the short term. It was a big mistake to keep the measures in force beyond that, and we now criticize the policy employed today, calling it "Ozal's policy."

The income of the low-income groups fell more than 50 percent in 5 years. In my opinion, it is necessary to look at it like this: The 24 January decisions are over and their job is done. Where we are now is the point to which the Ozal policy has brought us. And that point is inflation still higher than 50 percent after 5 years.

Nazif Kocayusufpasaoglu (Correct Way Party deputy general chairman): The 24 January decisions were a stabilization program adopted by the government of the time to solve the economic woes and problems the country faced at that time.

At the end of August 1980, significant strides had been taken in things other than unemployment and the economy had gained viability.

If we look at the important problems facing the economy at the end of 1983, we see:

Inflation, unemployment. This means that Mr Ozal, who has directed the economy since September 1980, has failed to advance even the length of a grain of barley.

The most important problems Mr Ozal confronts 1 year after forming his government at the end of 1983 are still wild inflation and growing unemployment, in that order.

It is impossible to speak of the 24 January stabilization measures today. The present results are the outcome of Mr Ozal's own policy.

Ahmet Tekdal (Prosperity Party general chairman): These measures, which bear Mr Ozal's stamp and which he claimed to be the "only alternative," have not succeeded despite the intervening 5 years. With this policy, this administration has demanded sacrifices bordering on starvation from one segment of the citizenry. The human element has been neglected with this economic policy. The economy, in Mr Ozal's philosophy, has ceased to be a means for the happiness, well-being and security of our people and has become an end in itself.

It is our view as the Prosperity Party that until the error of the 24 January and similar decisions and the economic policy in effect is admitted and a new approach taken to our economic problems and until economic policies are based on fairness in production, income distribution and the balance of good and bad, it will be impossible to get out of these straits.

Sakip Sabanci (Industrialist): Let us go back 6 years. How did things look? The Treasury was in trouble, we could not even pay our Japanese consul's salary. People were waiting in line for sugar, salt. Discontent erupted owing to the economic troubles, accompanied by anarchy and terrorism. There was scarcity at that time. And there are some things that have not changed. The middle class is suffering the most. The problems did not disappear in a day. The course taken was successful in principle, the road was the right one. There may be some ups and downs in the road and some slippery spots. This is normal. The important thing is to join hands and overcome the difficulties. The general lines of the 24 January decisions are the right way to do this.

Nazim Duzenli (Turkish Textile Industry Employers Union president): The 24 January decisions have had positive results overall. However, it has not been possible to obtain the hoped-for success in the fight with inflation.

Huseyin Pala (Municipal Workers Union president): The 24 January decisions, to me, have had negative results. They made the poor poorer and the rich richer. National income distribution has gradually been thrown off balance, investment has stopped, unemployment and inflation have not been brought down, but have even increased. The only success has been in exports, if the figures are right.

Yener Kaya (Turkish Leather and Shoe Industry Workers Union): Investments have halted. Unemployment has gone up. Inflation has passed 50 percent. Wages are regulated. Losses in purchasing power and real wages of those who work have exceeded 50 percent. The rich are richer and the poor are poorer.

Ilhan Dalkilic (Automobile Workers Union vice president): The 24 January decisions have done absolutely nothing for the worker.

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ECONOMIC

TURKEY

#### ULAGAY ASSESSES 24 JANUARY POLICY IMPACT

Istanbul CUMHURIYET in Turkish 24 Jan 85 pp 1, 8

[Article by economics editor Osman Ulagay: "Five Years of Saying Inflation Will Decline"]

[Text] The "24 January Decisions" came into being at a time when Turkey had a full-blown foreign exchange crisis, inflation had taken its head and all the economic balances were out of kilter. After 5 years, they have been unable to defeat the inflation proclaimed the chief enemy, and Turkey has been unable to put its economy on the track to inflation-free growth. Inflation had been brought down from a percentage in the 100's in 1980 to the 30's in 1982, but was used once again as a means of spurring growth in 1984 and it climbed back up into the 50's. Throughout the period of crisis in the economy after 1977, the growth rate would increase in the years when inflation was on a downward trend, but in 1984 for the first time inflation and growth showed a pronounced rise together. Turgut Ozal, architect of the "24 January Decisions," has realized ever since he was elected to the seat of power that he has been unable as yet to find the model to replace the inflationary advance and accumulation model he has often criticized and has found no remedy to allow a little growth improvement other than winking at inflation.

The policies pursued under the slogans "Struggle with Inflation" and "Open the Economy Outward" have failed to prevent inflation for 5 years, while dooming Turkey's growth rates to the lowest since 1960. The average annual real growth rate during the first plan period covering 1963-1967 was 6.6 percent; in the second plan period, 1968-1972, 7.1 percent; in the third plan period, 1973-1977, 6.4 percent; and in the 1980-1984 period, it stood at 3.3 percent. Even in 1984 when inflation was ignored to allow growth to accelerate, the real growth rate remained around 5.7 percent, and topping the 5-percent level does not appear easy in the next few years.

It is no longer a secret that the essential, fundamental goal of the "24 January Decisions," at least in Turgut Ozal's mind, was to integrate the Turkish economy with the Western economies. While marching towards this basic goal, Ozal has frequently asserted that the economy would have to undergo a period of adaptation and expressed the hope that at the end of this process the economy could get back on track to rapid growth. According to Ozal, for the structural change that had already begun in the economy to accomplish the desired results, it would be necessary to endure a certain period of sacrifice. The prerequisites for achieving a

brighter future were the endurance of certain sacrifices by the segment of society Ozal termed the "main mast" and letting the economy squeak by this transition period with growth rates of 4 percent-5 percent.

In the event, it is very hard to say that a structural change has been brought about in the economy by the practices that made it possible for Turkish exports to more than triple from 1979 to 1984, with exports of industrial products increasing seven fold. While the Turkish people, the Turkish worker, the Turkish civil servant have suffered a loss of real income between 35 percent and 40 percent in 5 years, the Turkish grower and industrialist have turned to exports by necessity, being unable to sell to a constricted domestic market the way they used to, and generous incentives have supported this trend. Turkey has gained new experience in exportation and, in making significant progress under these circumstances, has increased its sales abroad. While wages and salaries are kept low, not much has been seen in the way of converting the capital accumulation opportunities this allows into sturdy investments to create new and modern production capacities. On the contrary, it has been a time in which new investments have been very sluggish and only 60 percent to 70 percent of existing capacity has been used.

The "opportunity," created by the sacrifices to which the broad segments of society have resigned themselves under circumstances unique as well to legal and political adjustments, has remained untapped for 5 years, and the savings attracted to the banks and brokerage houses by high interest rates have been used to keep existing, mostly troubled, firms afloat instead of in the creation of new production capacities.

As the fifth year of the "24 January Decisions" comes to a close, the Turkish people who have spent these 5 years with the rhetoric of "patience and sacrifice" are confused about the economy and don't know whom or what to believe about what the future will bring. The Ozal government has failed to raise domestic savings and has been unable to find the opportunity to tackle the basic problems that would determine the future of the economy for having to grapple with the nitty gritty of day-to-day operations. Under these circumstances it seems inevitable, unfortunately, that the administration will demand new sacrifices and more time from the people. The "24 January Decisions" have failed by the fifth year to bring about the "price stability" that is still their primary goal. No one can make a credible case for how and when they will bring about the "great and prosperous" Turkey.

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ECONOMIC

TURKEY

#### ACADEMIC UNAY ON OZAL POLICY SUCCESSES, FAILURES

Istanbul MILLIYET in Turkish 30 Jan 85 p 2

["Thoughts of the Thinkers" column by Professor Cafer Unay: "Did the 24 January Measures Accomplish Their Goals?"]

[Text] Who Is Cafer Unay?

Professor Cafer Unay was born in 1941. He graduated from the Istanbul Academy of Economic and Commercial Sciences in 1963. He was sent to France for doctoral studies on an Education Ministry scholarship. He completed his doctoral degree in economics at the University of Strasbourg in 1972 and returned to Turkey. The same year he began teaching at the Bursa Academy of Economic and Commercial Sciences. He was promoted to associate professor in 1975 and to full professor in 1980. Currently he is serving on the faculty of the School of Economic and Commercial Sciences of Uludag University.

Following the dramatic climb in the inflation rate, the steady drop in the growth rate, the rise in the unemployment rate and a growing shortage of foreign currency reserves in 1977, Turkey began to slide into its worst economic crisis in recent history. By 1979, the inflation rate had climbed to 63 percent, the unemployment rate had risen to 15 percent and the growth rate had dropped to 3 percent.

On 24 January 1980, a series of measures were taken to end this crisis and to put the economy on the right track. The purpose of these measures was to prevent excessive interference by the government in the economy and to reform the faulty aspects of free competition. It was thus envisaged to build a functional market economy and to reinforce the "laissez-faire" system.

It was decided that the public sector should operate in accordance with the rules of a market economy in the areas of credit, subsidies and pricing. As a result, a liberalization trend was set in motion in the public sector as well. A realistic currency exchange policy and higher interest rates, which were endorsed later on, were major elements in this package of measures.

#### Goals

The goals of the economic package can be summarized as: a high growth rate, price stability, a balanced foreign account and a more humane development--in

other words, high employment and equitable income distribution. However, in general, high growth rate and high employment must be considered as the principal goals of the package. Price stability and higher exporters can be seen as secondary goals.

The fact that the main outcome of the implementation of the package has been the lowering of the inflation rate and a sharp increase in exports means that the Turkish economy chalked up its most major successes in the secondary goals. Nonetheless, the growth rates of 3.2 percent in 1983 and 5.7 percent in 1984 must be characterized as successes.

The new government that took office at the beginning of 1984 following the elections endorsed the fundamental principles of the 24 January decisions. For this reason, the establishment of a "free market" philosophy has been the most significant economic policy objective since 1980.

The foreign trade policy that has been put into effect has reinforced the principle of "laissez-passer" by lifting all restrictions on overseas travel and by opening the country's doors to foreign products generously.

With these policies major strides have been taken toward the realization of "laissez-faire" and "laissez-passer" which are the fundamental principles of liberal capitalism. Now sufficient time has elapsed to evaluate the results of these policies which we find unnecessary to dispute.

So far, some of the results have been favorable and some have been unfavorable. Favorable results have been achieved in the area of exports and partially in the areas of inflation and growth. Furthermore, in some sectors the rate of capacity utilization has increased dramatically and in certain cases has reached 100 percent. Consequently, new investments will be necessary to increase production and exports in the future.

While the pace of inflation has been broken, this peril has not yet been completely eliminated. It is obvious that inflation will remain one of the leading items on the economic agenda in 1985. Despite all statements to the contrary, the economic figures raise doubts about the effectiveness of the tight-money policies. The high growth in the money supply, the inadequacy of government revenues and the prices of imported goods are fueling inflation.

In addition, since high growth is the most important indicator of a society's prosperity and the best remedy against unemployment, the growth rate must be made to exceed 6 percent in 1985 and subsequent years.

Thus, although the industrial sector has virtually shaken off the effects of the crisis, 1985 will be a critical year for the Turkish economy. Although much effort has been expended to implement a free market economy since 1980, it is seen that conditions necessary for such an economy have not yet taken root in the country.

As for the unfavorable results of the economic policies that have been implemented, firstly, the unfairness in the distribution of national income has



become more marked. It has been estimated that between 1980 and 1985, the purchasing power of the working class declined by 36 percent and that of the civil servants declined by 35 percent.

Secondly, the results achieved on the inflation front can hardly be called favorable. While the inflation rate for 1984 was targeted as 25 percent, the actual inflation rate for the year was 45 to 50 percent. The high inflation rates of recent years is one of the causes of the growing imbalance in income distribution.

Lastly, there is the important issue of unemployment. Unemployment rose from 15.6 percent in 1982 to 16.1 percent in 1983 and 16.5 percent in 1984.

For the reasons mentioned above, the efforts to put the economy on the right track must focus on investments in order to reduce unemployment and to increase production and exports to the desired levels. The task of increasing the savings rate, which is necessary to attain these goals, continues to remain the most difficult problem.

#### Conclusion

The economic policies implemented so far have accomplished the secondary goals rather than the principal ones. Increasing exports and keeping inflation under control are, in the long run, secondary goals. The principal long-term goals of economic policy must be high employment, high growth rate and equitable income distribution. After five years of these policies the time has come to focus on these goals which can be attained through increased investments.

9533

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ECONOMIC

TURKEY

# ASSESSMENT OF COURSE, IMPACT OF 'SEE' PRICING

Istanbul CUMHURİYET in Turkish 30 Jan 85 pp 1,11

[Text] While the government was unsuccessful last year in its tax collection efforts--and as a result its tax revenues rose by only an estimated 25 percent in 1984--its revenue enhancement through price hikes in goods and services offered by State Economic Enterprises [SEE] reached record levels of nearly a trillion Turkish liras.

According to data contained in the recently published TUSIAD [Turkish Industrialists' and Businessmen's Association] report entitled "The Turkish Economy in the Beginning of 1985," the revenue enhancement achieved by the SEE through "price adjustments" rose dramatically last year to 958 billion Turkish liras. Last year, additional revenue gained through price adjustments had amounted to only 194 billion Turkish liras since SEE price hikes were held at "conscientious" levels in view of the fact that 1983 was an election year. The total additional revenue raised through SEE price adjustments since 24 January 1980 amounts to 2,623 billion Turkish liras in current prices. Furthermore, the steepest price hikes in the last five years occurred in SEE goods and services.

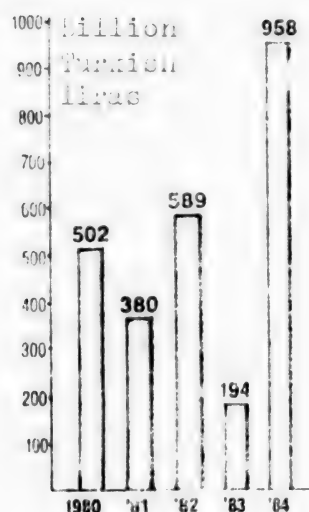
Having collected nearly a trillion Turkish liras from the public through SEE price hikes, the government expects to have collected 1.1 trillion Turkish liras through personal income taxes in 1984. Thus when the additional revenue raised through SEE price hikes is nearly equal to the total income tax revenue, it is seen that those who said "the SEE price hikes are virtually a new tax" were not at all wrong. Furthermore, the charge that SEE price hikes have had a double inflationary effect by pushing up the prices of products that need SEE goods and services as intermediate materials and that they have been one of the primary factors in cost inflation does not seem to be a contention that can be ignored.

In 1984, fuel products were again ranked first in revenue enhancement through price adjustments. While the additional revenue raised through fuel price hikes amounted to 170 billion Turkish liras, price hikes in cigarettes and alcoholic beverages were ranked second with a total revenue enhancement of 150 billion Turkish liras. Electricity price hikes were ranked third with a total revenue enhancement of 120 billion Turkish liras.

A comparison of price hikes on various goods and services since 1980 shows that the largest price increases were imposed on goods and services produced by the

SEE. While overall prices rose by seven to eightfold--depending on which index is used--in the last five years, suburban train fares rose by 20 times, Istanbul bus fares rose by 14 times, metropolitan ferryboat fares rose by 14 times, the price of mains water rose by 10 times, the price of a local phone call rose by 12 times, the price of kerosene rose by 14 times and the price of tea rose by 11 times. Electricity prices rose by eightfold.

It is well known that the practice of raising SEE prices at every occasion to cover up costs rather than introducing genuine reforms to reduce costs and to increase productivity is bound to tip the balance of the economy in an unfavorable direction. The SEE appear to have made a profit on paper thanks to the price hikes, but those profits are having an adverse effect on inflation and are making it more difficult for the government to fulfill its pledges to the "mainmast."



The Cost of SEE Price Hikes to the Taxpayer

Total SEE Price Hikes over 5 Years (billions of Turkish liras)

<u>Product</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Fuel products	220	88	117	38	170
Electricity	30	23	33	15	120
Petrochemical products	18	--	12	8	25
Coal	17	22	14	--	1
Fertilizers	28	9	--	--	65
Iron, steel	28	25	10	10	24
Paper	17	2	5	2	33
Copper, aluminium	13	--	--	--	--
Sumerbank products	8	3	4	7	5
Cement	6	2	6	5	5
Sugar, milk, tea	41	9	26	22	95
Meat, fish	14	27	33	--	1
Postal services	10	125	248	24	90
Transportation	22	3	4	7	65
Cigarettes, alcoholic beverages	20	37	62	53	150
Other	10	5	15	3	110
<hr/>					
Total	502	380	589	194	958

9588

CSO: 3554/83

ENERGY

FINLAND

BRIEFS

REDUCED OIL CONSUMPTION--Oil consumption in Finland continued to drop last year, while the Western countries in general consumed more oil. Oil consumption in Finland dropped by 3 percent, while it increased by 3 percent in the OECD countries. During the past 5 years, the share of oil in the total energy consumption of Finland has dropped steadily from 48 percent to 34 percent last year. This share is now among the lowest of the industrialized nations, according to the central association of the oil industry. The sale of petroleum products was about the same last year as the previous year, but consumers kept more oil in storage than previously. Finns are using less light and heavy fuel oil, but the consumption of motor fuel continues to rise. Last year, for the first time, total gasoline consumption reached 2 million cubic meters, which represents a 2.4-percent increase over the previous year. The consumption of diesel fuel rose even sharper, by 3.7 percent, reaching 1.5 million cubic meters. [Text] [Helsinki HUFVUDSTADSBLADET in Swedish 3 Feb 85 p 18] 9336

CSO: 3650/164

6 March 1985

ENERGY

PORTUGAL

## ENERGY DEPENDENCE RISE NOTED IN 1973-1983 DECADE

Lisbon O JORNAL in Portuguese 18-24 Jan 85 p 25

[Text] The rate of energy dependency of Portugal on foreign countries was increased between 1973 and 1983, rising from 80.8 percent to 88.1 percent. The trend registered in Portugal is opposite to that noted in other countries, specifically those of the EEC, where in the same period gross primary energy consumption declined as did the consumption of petroleum. Petroleum consumption in Portugal increased by 75 percent in those 10 years and the gross consumption of primary energy increased by more than 60 percent.

Even so, consumption of primary energy per capita, which was 1.17 tons in petroleum equivalent in 1983, represents nearly one-third of the average observed in the EEC.

Speaking during the seminar "Energy Policy in Debate," held last week at the initiative of the Institute of Studies for Development, Henri Baguenier pointed out that the acceleration in electrification recorded during that period, which in 1983 allowed 92 percent of the Portuguese population to have access to electricity, helped to increase consumption. Baguenier also said that "Nuclear power does not appear to present decisive economic advantages compared to coal in the production of electricity," and that the use in Portugal of the power of renewable resources clashes with various obstacles such as excessive centralization, insufficient knowledge as to the true power market and the lag in research of the technologies adapted.

## Financial Needs of the EDP Exceeded Forecasts by 20 Percent

The EDP (Electricity of Portugal) last year borrowed 107 million contos abroad, which represents an increase of 18 million contos more than forecast.

The total debt of the company at the end of the year exceeded 600 million contos, 357 million of that in domestic debts and 345 million in foreign debts.

The increase in financial needs in 1984 was due, according to an official source quoted by ANOP, "to the devaluation of the escudo and to the excess of optimism in the forecast on collections." In the latter case, the difficulty



in collections resulted in the receipt of 70 percent of the total bills sent out by the company, bills which in 1984 were nearly 100 million contos.

A large part of the EDP debts--nearly 77 million contos--is attributed to the local governments, which collect the money for the electricity from the consumers but do not deliver the receipts to the EDP.

In the State Budget proposal for 1985 there is stipulated a deduction of nearly 25 percent of the money for the local governments to be used for the payment of debts to nonfinancial public companies, which are almost totally the EDP. The municipalities affected will be primarily those of Porto, Vila Nova de Gaia and the Federation of Municipalities of Faro.

Another of the large debtors of the EDP is the State through the Fund for Thermal Support (an autonomous fund created to protect the stability of the prices of electricity), whose debt totals 70 million contos.

8908

CSO: 3542/101

ENERGY

TURKEY

# OZAL GUARANTEES GOKOVA ENVIRONMENTALLY SAFE

Istanbul CUMHURIYET in Turkish 29 Jan 85 pp 1,11

[Report by Celal Baslangic]

[Text] Turkevleri--Appearing convinced about the construction of a thermal power plant on the shores of Gokova Bay, Prime Minister Turgut Ozal said: "I assure you that you will not see even the smoke from outside." Ozal, accompanied by 50 reporters, yesterday arrived in the village of Turkevleri where the Kemerkoym Thermal Power Plant will be built. After surveying the area, Ozal explained his decision about whether the plant will be built by saying: "We will reevaluate the issue using the information we have in our hands." Even so, however, it appears to be certain that the Kemerkoym Thermal Power Plant will be built on the shores of Gokova Bay. Preparations for construction in the area and the stance of the Prime Minister and officials of the Ministry of Energy and Natural Resources clearly indicate that the Kemerkoym power plant will be built on the shores of Gokova Bay even though a decision to that effect has not yet been announced officially.

The scene around the village of Turkevleri was very interesting yesterday. The Prime Minister had the ministers of energy and culture and tourism by his side. Meanwhile, officials from the Turkish Coal Works Directorate General and the State Hydraulic Affairs Directorate General [DSI] were being bombarded by questions from the reporters. Sometimes, the Prime Minister, too, was targeted for questions. At one point, Ozal pointed out how democratic the atmosphere was.

After arriving from Marmaris, where he had spent the previous night, Prime Minister Ozal visited the site where excavation work is under way for the construction of the Kemerkoym Thermal Power Plant. The site is 1 kilometer away from Turkevleri. Sitting under an awning set up by the Turkish Electric Power Enterprise [TEK], the Prime Minister refereed the debate between reporters and TEK experts. The experts responded to the reporters' questions. Although Ozal had previously said, "We have not yet made a final decision," he used his "discretionary powers" as a referee in favor of the TEK experts whenever the debate about the thermal power plant intensified. In the course of the debate, Ozal defended the thermal power plant to be built on Gokova Bay with the following remarks:

--If the weather is fair the smoke will dissipate into the air. If it rains the smoke will be washed into the sea.

--The studies done so far do not indicate that a power plant here would create a worse hazard than similar plants in other parts of the world.

--This is the first power plant that is taking precautions to prevent environmental pollution. These precautions are being taken at your behest.

--Thermal power plants do not destroy the region they are built in.

--There are not too many trees on the hills around here. On the front there is the sea. Furthermore, the smokestack that will be built will rise higher than the hills around it.

--I assure you that you will not see even the smoke from outside.

--We will evaluate the issue using the information in our hands.

--This will be a good installation. Roads and worker hostels will be built; tourism will be spurred.

--Turkevleri will become one of the most beautiful corners of Turkey.

The nearly 40 reporters and journalists who accompanied Ozal to the area held the meeting referred by the Prime Minister at the site where the plant will be built. At the meeting, the proposed power plant was defended by TEK and DSI experts criticized by the reporters. The expenditure of \$50 million to \$100 million for a filtering device to prevent sulfur oxide from escaping into the atmosphere caught the attention of the reporters and weakened the position of the TEK experts who had proposed the building of the power plant at Gokova on grounds that it would be economical. The experts answered the reporters' questions one by one according to their field of specialty and explained the technical reasons for building the power plant on the shores of Gokova. At one point, a journalist handed a stack of papers to Ozal and said: "There are 26 questions in this stack. I will not be able to ask all of them. You review them, please." Annoyed by the emphasis on too many technical details, the reporter said: "We did not come here to discuss construction or coal. The issue that will be discussed is the protection of the environment." When Ozal said, "A road will be built from Yenikoy to Kemerkoym, and that will help the tourism industry," the reporters laughed and said: "Then tourism will also be protected."

When a journalist asked, "Can you say that the plant will not damage the environment? Yes or no?" Jale Esin, a technical studies group engineer from TEK, replied: "The answer cannot be that short." The experts' explanations about the environmental impact of the plant was interpreted by the journalists as "Gokova will be polluted, but whether the pollution will be major or minor will be seen later on."

While traveling to the site where the power plant will be built, Prime Minister Ozal was frequently stopped in settled areas. While passing through the Sakar Pass, Ozal climbed onto a hill overlooking the Gokova Bay and surveyed the sea for a few minutes. Ozal also visited the Yatagan Thermal Power Plant. Here villagers stopped Ozal to talk to him and said: "We lost our tobacco and olives

because of the power plant. This area has already been polluted. If you add a few more units here, you can save Gokova from getting polluted and our children can find work." When Ozal arrived in the village of Eskihisar, which is in the coal supply area of Yatagan, he was stopped by villagers who are being asked to leave their homes. The villagers told Ozal:

"Many of us emigrated to Gokceada out of desperation. At least loan us some money so that we can go somewhere else."

In the village of Pinar, the villagers told the Prime Minister: "We do not have any roads. Build roads for us." Upon that Ozal said: "There will be roads when the power plant is built." In the village of Oren, a large group of villagers stopped Ozal. The women stood on a hill, while the men stood below. Ozal turned to the women and said: "Are you happy with these men?" When the women said, "Yes we are," Ozal responded: "Are they working or are they making you work?"

After the debate between experts and reporters at the site where the power plant will be built, Ozal went to Turkevleri and explained the benefits of the plant in a speech at the village. Addressing the villagers, Ozal said: "The people of this area will also benefit from this power plant. This will be a good installation. Roads and workers' hostels will be built. Tourism will be spurred and that will give rise to prosperity." On his way out of Turkevleri, the villagers complained to him about the low prices paid by the government for land expropriations and about delays in payments in certain instances.

After touring the thermal power plant being built in Yenikoy, Ozal traveled to Izmir by road and then flew to Istanbul on a private plane.

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14 MARCH 85